The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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Shanghai, Dec. 24, 1934

Demand selling rate on America:	U.S.$1.00=Sh. $ 2.94
Demand buying rate on America:	U.S.$1.00=Sh. $ 2.87
Demand selling rate on London:	£1.0.0=Sh. $14.54
Demand buying rate on London:	£1.0.0=Sh. $14.22

Latest New York Stock Exchange Quotations

December 25, 1934

Business Done:
Total Volume:- 810,000 Shares

1933-34 High	1933-34 Low	Div. $ per sh.	STOCKS	Last Sale Dec. 22	Last Sale Dec. 23
118	47½	3.00	Air Reduction	110¼	111⅝
38	11⅛	1.20	Alaska Juneau	18⅞	19⅛
160¾	70¾	6.00	Allied Chemical	131¼	132¾
26⅜	6	—	Allis Chalmers	14⅜	14⅞
42½	9⅛	0.80	Am. Brake Shoe & Fdry.	25½	26¾
108¾	49⅛	4.00	American Can	108⅝	111
89⅞	13	—	Amer. Comml. Alcohol	31⅝	31¼
22½	3¼	0.25	Amer. Cyanamid "B"	15¼	15
19⅝	3⅞	—	American & For. Power	4½	4
39⅛	5⅞	—	American Locomotive	16½	16¾
19	4⅝	—	American Radiator	15	15⅛
58½	10¾	—	American Smelting	36¾	37¼
134¾	86⅛	9.00	American Tel. & Tel.	102¾	103¾
94⅝	50⅜	5.00	American Tobacco "B"	82	81½
43¼	10⅞	1.00	American Waterworks	13⅛	13
22⅞	5	—	Anaconda Copper	10⅝	10¾
35¼	12⅜	1.00	Atlantic Refining	24⅜	24¾
84¼	16⅞	—	Auburn	24½	25
87⅞	8¼	—	Baltimore & Ohio	13	12⅞
49½	10⅜	—	Bethlehem Steel	29⅝	30
11	6¾	—	Boeing Airplane Co.,	9½	10
29⅜	5½	1.00	Borg Warner	28⅝	28¾
20⅞	7½	—	Canadian Pacific Railway	11½	11⅝
103½	30½	—	Case, J. I.	51	53½
40⅝	15⅞	1.40	Chase National Bank	22¼	22⅜
52½	14⅞	2.50	Chesapeake Corporation	43¾	43
69⅜	7¾	1.00	Chrysler	38⅝	39⅝
28⅛	7	—	Columbia Gas & Electric	7	7¼
57¼	9	0.60	Coml. Solvents	21⅜	21
6⅛	1	—	Commonwealth & Southern (ord.)	1⅛	1
64½	20	2.00	Consolidated Gas of N. Y.	19⅞	19⅞
64½	23¾	2.40	Continental Can	61⅞	62¾
23¾	4⅞	1.00	Continental Oil	17⅞	17¾
90⅝	45⅝	3.00	Corn Products	62⅞	62⅜
9⅞	2	—	Coty Inc.	5⅜	5¼
28½	10¼	—	Douglas Aircraft	22⅝	23¼
103⅞	32⅛	2.60	Du Pont de Nemours	93⅛	94¾
116½	46	4.00	Eastman Kodak	111⅞	111
31⅜	10	—	Electric Auto Lite	26½	26⅝
41⅝	6¾	—	Electric Bond & Share	6¾	6½
19	8¼	—	Fox Film "A"	12⅝	12⅞
50⅜	16⅛	2.00	Freeport Texas	23	23½
43⅝	13¾	1.00	General America Transport	36	36
30¼	10½	0.60	General Electric	19¾	20¼
39⅞	21	1.80	General Foods	33¾	33¾
42	10	1.00	General Motors	31½	32⅛
28⅝	3¾	1.00	Glidden Co.	26½	27¼
27⅜	12	1.20	Gold Dust	17	17
47½	9¼	—	Goodyear Tire & Rubber	22⅞	23½
81½	15	3.00	Hercules Power Co.	73⅞	73⅞
50¾	7½	—	Illinois Central	15	15¼
40	6½	—	International Cement	28⅜	22¾
46⅞	13⅛	0.60	International Harvester	38⅝	39⅛
29¼	6¾	0.60	International Nickel	22⅞	23
21¾	5¼	—	International Tel. & Tel.	8¼	8¼
66⅜	12¼	—	Johns Manville	52½	53¾
26	7⅜	0.60	Kennecott	16½	16⅛
110	49	4.00	Liggett & Myers "B"	103	102½
37¼	8½	1.00	Loew's Inc.	34	34
25¼	10⅜	1.20	Lorillard	19⅝	19⅝
35⅜	8⅞	—	Montgomery Ward	28	28⅛
43	16⅞	1.00	National City Bank	20⅝	20¼
33¼	16¼	—	National Distillers	28¼	27⅛
58½	14	—	New York Central	19⅞	20
86½	10¾	1.00	North American	12½	12⅝
96¾	31½	4.00	Owens Illionois Glass	83½	83
31⅞	13⅛	1.50	Pacific Gas & Electric	14	14⅛
43⅜	21½	3.00	Pacific Lighting	21½	21
6⅞	1⅜	—	Packard Motors	4⅝	4⅝
42¼	13¾	1.00	Pennsylvania Railroad	23¾	23⅝
20¾	4¾	1.00	Phillips Petroleum	14¼	14¼
12¼	3	—	Radio Corporation	5½	5⅛
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51¾	12½	—	Sears Roebuck	38⅝	39
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28	10¼	1.50	Southern California Edison	10⅞	11
22⅛	4	—	Standard Gas & Electric	4⅛	4¼
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66⅛	45¾	3.80	Sterling Products	58¼	56¼
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9⅝	2⅝	.12½	Transamerica	5⅝	5⅝
51⅞	19¾	1.40	Union Carbide & Carbon	45½	46⅝
133⅞	61¼	6.00	Union Pacific	107	105¾
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中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 71 | Shanghai, China, Saturday, December 29, 1934 | Number 5

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIH-HSIANG, Asst. Editor; TRYPHON V. KU, Advertising Dept.,; F. K. CHAO, Business Dept.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

CHINESE PERSISTENCE EXEMPLIFIED IN PLACE NAMES

THERE are probably no people in the world who display the characteristic of persistency to any greater degree than the Chinese. This characteristic is, doubtless, one of the reasons why they have been able to maintain themselves as a nation throughout several milleniums. Nothing better exemplifies this spirit of persistency—or conservatism, call it what you will—than the fact that when a name has once been given to a spot or a district by the Chinese it sticks thoughout the ages—except, of course, when for political reasons, a change is made by Government order. Thus the old capital of China, formerly known as Peking (Northern Capital) has been changed into Peiping (Northern Peace).

Here in Shanghai there are some prominent examples of how the Chinese pay no attention whatever to the names of streets or points given by the foreign administrators, be they French or International, but blithely continue to call these spots by the names given them half a century, or centuries ago, regardless of the fact that the descriptions then given do not apply any more, and have not applied for many, many years. The present generation of Shanghai is generally not aware that the broad boulevard of Avenue Edward VII has a fair-sized creek under it, which, until about two decades ago, was an important artery of trade, despite the fact that its waters were odiferous—and its cargo, at times, even more so. Up until that time, dating back probably for centuries, there were, naturally, bridges across this water-course. One of these bridges was named after a certain Tsun family. That stopping point for trams and buses is known to the Chinese as Tsun Giah Moo Chiao. (The wooden bridge of the Tsun family). It will probably continue to be so called by the Chinese for centuries to come despite the fact that there has not been a bridge there for two decades and probably never will be again. The same street is known as Fukien road on the International side and as Route Tourane on the French side—but, as said above, the Chinese pay no attention to either. So there are many other points:—the

Pa Shien Chiao (the Bridge of the Eight Spirits), the Shih Hsin Chiao (the West new Bridge), the Tung Hsin Chiao (the East new Bridge)—no bridges there, at any of these points, and neither the French nor English nomenclature for these points is used by the Chinese. At the old French Municipal Hall, the tram conductors for decades have called out "Tah Tsze Ming Tsoong" (the big self-striking clock), because years ago the clock in the tower struck the hours. Now the clock has been removed, and doubtless the old building will soon be razed to the ground, but we are willing to bet that for years to come yet the Chinese will continue to refer to that tram-stop as the place where a clock once struck, even though the clock and the building in which it was located will have long since departed into the limbo of things that once were.

AMERICA'S LEAF TOBACCO TRADE IN CHINA IN DANGER

THE indications are that the National Government will in the near future boost the duties still more on certain classes of imported articles. The object of these duties will be not only to raise revenue, but to raise said revenue without making such heavy purchases in foreign countries—this all leading up to the aim of trying to lessen the huge unfavorable balance of trade which is rolling up against China from month to month. Generally speaking, the aim will probably be to place the extra burdens on what are termed "luxuries," although this is a term which has a very elastic meaning. When China first secured its tariff autonomy the proposals sent in by Chinese patriotic bodies as to what were "luxuries," and therefore were to be subjected to heavy duties, included pratically everything imported. In the meantime, China's tariff schedules have been drawn up with a fair resemblance to a scientific plan, and a reasonable basis of discrimination has been established—although in many cases the duties have been levied at such an excessive rate as to, in the aggregate, bring in a less amount of revenue than if the schedules had been assessed on a lower plane. To take a common article of foreign diet, butter: This is taxed at such a heavy rate that many of the less opulent foreigners in Shanghai have practically stopped eating butter—using in some instances, margarine, also imported; but more frequently using peanut butter, made locally. On looking over the list of foreign articles imported into China which will undoubtedly be hit by the plan to still further increase the duties on luxuries, one finds that one particular item stands out prominently, namely leaf tobacco. Practically all the leaf tobacco imported into China comes from the United States, it being of the cigarette variety, largely grown in North Carolina, Kentucky and Virginia. The total of leaf tobacco imported into China 10 months (Jan.—Oct.) this year was Gold Units 12,534,725. Of this, the United States supplied Gold Units 12,225,626—more than ninety-seven percent of the total. Figuring this out into current American money, and estimating the imports for the remaining two months of the year, it will be seen that the import of American leaf tobacco into China comes to a little more than nine million U. S. dollars per year. No other single item imported from the United States (as shown in the Chinese customs statistics) equals that of American leaf tobacco. The nearest approach is kerosene, and one must add the imports of kerosene from the United States (10 months Jan.—Oct., G.U. 9,305,134) to the imports from the United States of gasolene (10 months Jan.—Oct., G.U. 2,793,480) in order to reach a total of about the same amount as shown by American leaf tobacco. The duties on leaf tobacco at present are G.U.23 per 100 kilograms, for tobacco valued at G.U.175 per 100 kg., and G.U.6.60 for tobacco below the above-named value. The higher of these two rates works out at something over six U.S. cents per pound.

The foreign tobacco industry in China—and that means principally American—has been watched by the Chinese nation with considerable jealousy. It may be recalled in this connection that when the convention was held in China about a quarter of a century ago—which resulted in the restriction of opium from abroad (India in particular)—one of the British delegates, referring to American aspersions on the opium trade, remarked rather facetiously that the Americans could afford to be high-minded on this subject as they did not produce any opium; but raised much tobacco. As between the two evils, opium and tobacco, the former is, without any question, much the worse. But, nevertheless, it is merely a matter of degree. They are both narcotics, and whatever benefit to the senses the soothing weed of tobacco may give to its devotees, it has yet to be proved that in its *physical* effects tobacco has been anything but detrimental to mankind. From the point of view of an economic drain on the country there is no doubt about it that tobacco vies with imported opium of the "old days." One needs only look up the customs statistics to be impressed with the fact that development of the foreign tobacco business in China coincides with the restriction and eventual stoppage of foreign opium. The foreign cigarette in China was popularized by the most intensive of selling methods. Whereas opium in past years was usually only smoked by a relative few and opulent persons, the intensive cigarette selling methods envisaged the teaching of the cigarette habit to every man, woman and child in the country. Groups of distributors with foreigners at the head were sent to the utmost points of the interior. They went through the streets of the Chinese cities throwing samples of cigarettes right and left free of charge in order that the "fragrant smoke" (translated meaning of *shiang yin*, the Chinese name for cigarettes) might tempt palates that previously only knew the comparatively much less harmless water pipe—built on the same principle, but less elaborately, than the Turkish pipe.

The Chinese aim now is not so much to stop cigarette smoking as to bring the profit from it mostly into Chinese coffers. This will be accom-

plished, so far as the raw material is concerned, by growing more of the cigarette tobacco in the country—at the same time cutting down the foreign import by higher duties.

Bank Manager Proposes Heavier Import Duties

Ching Kuo-pao, of the Bank of Communications, has forwarded to the Finance Minister, Dr. H. H. Kung, a scheme to mitigate the present commercial crisis in China by increasing import duties on certain foreign goods. The plan also stresses the need of decreasing export duties. If this should not prove efficacious, he suggests the limitation be placed upon the chief imports with regard to the actual needs of the country.

The proposal, which has been made by Mr. Ching, who is Assistant General Manager of the bank above-mentioned, calls for co-operation between foreign and Chinese banks in controlling international exchange, in connection the limitation of the quantity of important imported goods. Mr. Ching recommends that the Central Bank of China should negotiate with foreign banks for such an effective policy of control of international exchange.

Japan Denounces Washington Naval Treaty---Makes Claim for Equality

THE Japanese Privy Council at a plenary session Dec. 19 unanimously approved the decision of the Government to terminate the Washington Treaty, and at the time of writing formal notice was about to be given. A *Rengo* message from Tokyo Dec. 22 stated that Foreign Minister Hirota had instructed by cable Hiroshi Saito, Ambassador to Washington, to inform the United States Government of Japan's desire to terminate the Washington Naval Treaty. Mr. Saito subsequently handed the notification to Cordell Hull, U.S. Secretary of State. In the meantime the preliminary naval talks in London have led nowhere and stand adjourned.

The meaning of it all is that Japan has decided on a policy of freedom of action and to stand squarely on a policy of equality with all and every one. She had already torn the Nine-Power Washington Treaty into shreds by her invasion and ocupation of Manchuria, and thereby has raised a world-wide suspicion that it is of little consequence whether she signs any particular treaty, for, when the psychological moment (for her) arrives, she will blast, or attempt to blast, her way through, just as Germany did when she went through Belgium in 1914. The Washington Conference fixed a naval ratio of 5-5-3, that is England and America were each to have a weight of warships equivalent to five, and Japan was to have the proportion of three. None of the contracting parties actually built up to the provisions of the Treaty, but Japan has come very close, and at the moment is in the midst of a heavy building program. America has allowed its naval forces to drop way below the treaty stipulations, and, conference or no conference, it is the opinion of naval experts that to-day Japan's naval strength is almost equal to that of the United States. At any rate, the point to be borne in mind is that Japan wants, first the *principle* of naval equality established, leaving herself free to build as big a navy as she feels she needs, or can afford to build. It simply means the formulation of a demand in a *naval* sense (with an implied threat) which Japan was denied at the Versailles conference in a *political* and *racial* sense—an example of a case where a people have determined to blast their way to an ideal by force, seeing that they have been denied it as a matter of courtesy.

Getting down to details, Japan's position is that, while insisting on "parity", she proposes a reduction of the offensive weapons which she fears, and at the same time she proposes a limited "total tonnage" which she could allocate as she pleases

WONDER WHY JAPAN WANTS SUCH A BIG FLEET?

—From the Chicago Tribune

among the so-called "defensive" arms. The distinction between "offensive" and "defensive" weapons has never been made clear, it may be stated incidentally. At any rate what the various Japanese proposals amount to is that the power of any possible enemy to attack her should be weakened and that her own power to attack should be strengthened.

What it all will lead to in the end still remains to be seen. But a free-for-all armament building race between the three principal powers, the United States, Britain and Japan, is, from present indications, the most likely possibility.

Dictatorships in Soviet Russia, Fascist Italy and Swastika Germany

BY GEO. W. MISSEMER

DEVELOPMENTS in Soviet Russia are coming thick and fast, and, in the present temper of the leaders, it would be surprising if there should not develop further waves of executions. The writer has no quarrel with the Soviet system of government as such, although because of the very decided changes in policy there have been at various times, it has been somewhat difficult to determine what that system is. The one thing that shines out is that a certain group, with Stalin at the head, is determined to hold its power and just as determined to shoot down any one that effectively starts to question that group's authority. This is a state of affairs to which no one born under a Republican form of government can for a moment subscribe. The existing government in Russia is only one of several governments run by a dictator, or dictatorial group, ready to shoot down those who oppose their authority. It is generally merely a case of who gets in his shots first, or has the most guns at his command. It is frequently stated that what goes on under the dictatorships in Italy, where opponents of the existing regime are effectively silenced by incarcerating them in obscure dungeons, or in Germany where wholesale shootings of the opposition group took place several months ago by Hitler's order, or the recent executions in Russia, are concerns of those countries alone and are not discreet subjects to be discussed in Shanghai. But if they are not to be discussed in Shanghai, where, in Heaven's name, are they to be discussed? They certainly may not be discussed in either Russia, Italy or Germany. If any American, or any one of any other nationality, thinks that they can be discussed there—in anything but a commendatory tone—let him go there and try it!

It it were the policy, generally, not to discuss vital matters, simply because a few individuals might have their susceptibilities ruffled, the fight for human liberty might as well be abandoned; and that would be a calamity of huge proportions. The Great War, which was so glibly spoken of as being fought to make the world safe for democracy, has so far principally resulted in making the world safe, or fairly so, for dictators. It has been frequently the case throughout the world's history that the principal literary work which has been done towards the liberation of any country from the thralldom which it may have been under at that particular time—and the literary part is the important part, more feared by the oppressors than bullets—has been done outside of the borders of the country which was concerned. That was particularly true of the revolution in China. Dr. Sun Yat-sen, in the very nature of things, could not carry on his revolutionary work against the Manchus within the country. He therefore did his writing and lecturing abroad, hoping that some of the reports of his work and ideas would infiltrate into the country with good effect—which, as a matter of fact, they did. The result of Dr. Sun's work in foreign countries was the establishment of a Republic in China—and if the result has been somewhat below the ideal, which frankness compels one to say is the case, conditions in China are no more chaotic after 21 years of a new regime than they have been in many other countries in past history. In the same way every lover of individual liberty throughout the world will hope that frank discussion of the real situation in Soviet Russia, or Fascist Italy, or Swastika Germany—they are all alike in that free criticism of the *system* of government is absolutely forbidden—will hope that some of the things that may be said in the countries where there is still freedom of speech may come to the knowledge of the benighted, or probably a more correct description would be *deceived*, citizens of said countries. It may be taken as an axiom that no system of government has a right to exist if it is afraid of criticism of its *system*. Paradoxical as it may seem to say so, it is the spirt of the pack, or the group, that rules in said countries, despite the fact that at the head of it is a dictator. The dictator is merely the head of the group, just as a pack of wolves has a leader, who is ready to bite any particular member of the pack that attempts to stray away from the general aim of the group.

This spirit of the "pack" is unfortunately growing throughout the world—not decreasing as some fondly imagine. The machinery to squelch the individualist, be he ever so logical and honest in the expression of his opinion, is being tightened even in England and America—although in said two countries the aim is, probably, to enforce it only in time of war. Present indications are that in the United States, the free expression of opinion by individual newspapers will be stopped by the simple process of the government stepping in and making it impossible for the offending newspapers to secure a supply of ink and paper—and that, after all, is a much more humane method than that generally adopted in the dictator-controlled countries of Europe.

If individualism were given full play in most dictator-ruled countries of the world to-day it is

doubtful whether the dictators would last two weeks. There are several Christian religious groups, if their numbers were more numerous, would bring about the downfall of the dictatorships in short order, not by the means of religion as such, but by the practical principle of refusing to obey the rule of force. As a matter of fact if the Christian religion means anything at all it teaches the very practical principle that each individual is a unit, not to be dealt with either in this world or the next as part of a huge machine, but solely as an individual. It is really a pity that said feature is so frequently lost sight of in the squabbles that take place regarding hundreds of points of minor significance. And if one delves into the motives actuating the leaders of the so-called Godless movement in Russia to-day one is led to the conclusion that the object is not so much to attack Christianity as a "superstition", but to squelch it because it teaches individual responsibility and inculcates the principles of individual liberty.

"FIERCELY MARCHING FORWARD"

(Translation of Editorial in "Izvestia," Moscow)

The decisions of the last plenary session of the Central Committee of the Communist Party concerning the abolition of rationing system and reorganization of political sections in agriculture, completely and fully approved by the leading Party organizations of Moscow and Leningrad, manifest the tremendous growth of our resources, our strength, our confidence of full victory. At the last plenary session, the Party determined our step to a new stage in the field of economic relations—the stage which leads us to classless Socialist society.

A more complete application of the revolutionary law, which is being so emphasized during the present campaign of election of soviets, forms the 'juridical superstructure' at this new stage! The treacherous shot at Kirov, base in its insidiousness and cowardice, under no circumpstances can force us to change the firmly adopted policy of our Party. No matter how the Fascist hangmen and their agents in our country would like to hamper this course of our domestic policy and to check our peace policy in the field of our foreign relations, they will not succeed in this.

The shot fired at Kirov has revealed the fact that his physical assassin was connected with the dregs of the former anti-Party group of Zinoviev, which deserves our most careful attention. Here is in evidence a fact of dregs of former anti-Party opposition having grown into an openly counter-revolutionary Fascist gang.

"It would be naive to consider this political banditism from the viewpoint of a mere individual act. We regard it in its connection with resistance to Socialism on the part of internal counter-revolution joining hands with the Fascism abroad.

The shot at Kirov obliges us to increase our vigilance and carefulness to a high degree, to single out those cases of terrorism from all other crimes, and to take decisive measures in this respect.

Our enemies will not succeed in any of their attempts. This great country is proceeding with unshakeable calmness and in the most exemplarly order in its iron ranks, with the Party closely rallied around Stalin, towards the solution of our immediate tasks.

Communists in Central China Driven West Into Kweichow; Nanking-Canton Rapprochement Nearer

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Kwangtung and Kwangsi to Organize Joint Force to Pursue Reds.**
2. **New Provincial Government for Szechuan Organized**
3. **Hunan Forces Gain Further Successes Over Communists**
4. **Chinese Volunteers Again Active in Manchuria**
5. **Terms of Nanking-Canton Co-operation Discussed at Shanghai**
6. **Southern Military to Curb Activities of Politicians**
7. **Nanking Envoy to Tibet to Visit Nepal Before Returning to China**
8. **Legislative Yuan Urges Reduction of National Budget**
9. **Nanking Will Hold No Official Celebration on New Year's Day**
10. **Chinese Services Cannot Marry Foreigners**

Dispatches from various quarters confirm that the communist armies migrating westward from Kiangsi have entered Kweichow and are heading for Szechuan. A Wuchow message states that the Red leader, Chu Teh, together with his 1st and 3rd Armies, has escaped into Kweichow and is now on his way to Szechwan. The 5th, 8th and 9th Red Armies have been more or less dispersed and about 10,000 communists are now in Kweichow. Raiding plane destroyed two of the wireless stations of the communists. The 15th Kwangsi army reports that units of their forces are still following the Reds. The Kwangsi leaders are urging united action by the Kweichow, Hunan and Central Government troops so that the Outlaws can be entirely eliminated.

The communists after having been repulsed from Tungtao, in South Hunan, are now escaping towards Liping, according to a report reaching Canton from Hunan. The Kwangsi pursuing corps is now dashing towards the north to envelop the retreating communists. The vanguard of the first pursuing column is reported to have reached Mewchung Pass in Kashiu, north of the Shengkong river.

General Pei Chung-hsi, vice-commander of the Kwangsi 4th Group Army, has decided to established a reformatory at Kweilin to absorb captive communists. It is understood that about 7,000 Reds have been taken prisoner during recent encounters. Of this total 5,000 will be handed over to the Hunan authorities, and 2,000, who are natives of Kwangsi, will be sent to the reformatory at Kweilin.

KWANGTUNG AND KWANGSI ORGANIZE JOINT RED PURSUIT FORCE

In order to hasten the suppression of the Communists now ravaging South China, a joint pursuit force has been organised composed of the crack divisions of the Kwangtung and Kwangsi Armies with General Pai Chung-hsi as Commander. This pursuit force will be entrusted with the task of rounding up the remnant Reds in the two provinces and assisting the Kweichow Army in its anti-Red operations. The appointment of General Pai to this post is reported to have received the approval of General Chiang Kai-shek, President of the Military Affairs Commission, who has issued urgent orders to Kwangsi and Kweichow authorities to take concerted measures to suppress the marauders.

NEW PROVINCIAL GOVERNMENT FOR SZECHUAN ORGANIZED

Reorganization of the Szechuan Provincial Government Committee was officially announced Dec. 20. A petition has been submitted to the National Government to relieve the present members of their duties and gazette the new appointments in a Mandate. The new Provincial Government Committee is to be composed as follows: General Liu Hsiang, Chairman; Kan Chi-yung, Commissioner of Civil

Affairs; Liu Hang-shen, Commissioner of Finance; Yang Chuang-yu, Commissioner of Education; Kuo Chang-ming, Commissioner of Reconstruction; Teng Han-hsiang, General Secretary.

After an absence of five weeks General Liu Hsiang returned at Chungking on the s.s. "Min Kang" Dec. 19. Interviewed, he stated that concrete measures have been decided upon with the Central authorities concerning bandit-suppression and the military, civil and financial affairs of the province. An energetic spirit pervades the Central Government, he observed, and the civil administration of the various provinces he passed through have likewise been gradually placed on the right track. General Liu will leave for Chengtu in a few days where he will convene a military conference regarding the anti-bandit campaign in northern Szechuan.

REDS IN HUNAN REPULSED BY GOVERNMENT FORCES

Fighting is now going on between Government Troops and Communists at Changteh, Hunan. However, the city is expected to withstand the communist attack. Protestant missionaries are reported to have left the city safely, and the Catholic fathers from there have already arrived in Hankow.

The Communists captured Taoyuen, a village about 40 miles up river on Dec. 22 after a desperate resistance by the local garrison. After a brief pause in Taoyuen, Ho Lung's brigands began their movement against Changteh. Communications between Changteh and Changsha are now interrupted.

General Liu Chien-hsun, Field-Commander of the Government Pursuit Forces in a telegram from his Field Headquarters at Chinhsien on Hunan-Kweichow border, reported that a force of over 2,000 Communists which was driven away by the Kweichow Provincial Army made a sudden attack on the Hunan border on the 20th inst., attempting to re-enter the province. The invading Reds were met by the troops of General Chen Kwang-chung's Division and after being repulsed with heavy casulaties, they were finally forced to retreat into Kweichow. According to the telegram, more than 200 Reds were killed in action, while about 300 others taken captive. The Government troops are continuing the pursuit of the fleeing outlaws. The Pursuit Force entered eastern Kweichow in order to assist the Kweichow Provincial Forces in the extermination of the remnant outlaws. There are now few traces of bandits at Tungtao, Tsing-hsien and Suining, in south-western Hunan. The reserve regiments under Major-General Ho Ping have been assigned to hunt the scattered "Reds."

RED INVASION OF WUHU UNLIKELY

Well informed circles in Nanking minimize the importance of the reported communist advance in the direction of Wuhu and Tatung. The concentration of Chinese gunboats at the two river ports and the arrival of reinforcements will keep Wuhu and Tatung from falling into the hands of the marauding Reds. If necessary, the Government can send additional troops to Anhui.

According to reports received at Wuhu and Tatung, the communist bands which came up from the mountains in south Anhui did not exceed 5,000 men. Their capture of Tsingteh and other places in Anhui province was more for looting than anything else. It is believed in military circles in Nanking that the communists will not attack Wuhu or Tatung, for such a move will be almost suicidal. Both ports can be attacked by government gunboats from the river and there are no hills around Wuhu or Tatung where the communists can dig in to defend themselves. Even if they did succeed in capturing the two river ports they would never be able to hold these places for any length of time.

GENERAL CHANG HSUEH-LIANG NOT GOING TO SZECHUAN

In a press interview, General Chang Hsueh-liang denied that he is planning to proceed to Szechuan. He stated that he did have the desire to go to Szechuan and visit the scenic sports there about a month ago, but he has now decided to give up the plan in view of the great pressure of his duties in Wuchang. He also stated that he will proceed to Nanking again together with General Ho Chen-chun, Pacification Commander of Hupeh, as soon as General Chiang Kai-shek returns to the Capital from Chekiang.

COMMUNIST STRAGGLERS IN KIANGSI PASS ROUNDED UP

The Communist stragglers who were left behind in the recesses of the Chungmenling Pass in Hweichang, when their main Force evacuated Kiangsi a month ago, have been finally rounded up by the Government troops which recently launched a joint attack on the Pass from Hweichang and Juikin. The Communists in the Pass consisted of the remnants of the 6th "Red" Independent Battalion and after putting up a vain resistence, were completely routed and dispersed. Two Red officers had been killed and over 60 of their men, taken captive. The Government troops also seized several dozens of rifles and a number of machine guns.

Lieut.-General Kung Ho-chung, Counsellor to the Nanchang Military Headquarters, has arrived at Tayu, in the extreme south of Kiangsi, to establish stations for the accommodation of the surrendered bandits. Lieut-General Kung was formerly Field-Commander of the "Red" outlaws on the Kiangsi-Hunan-Hupeh border. He surrendered to the Government in the summer and has since rendered valuable service in the bandit-suppression campaign.

Omnibus service on the new highway between the two recently recovered districts of Kwangchang and Ningtu, in south-eastern Kiangsi, was started at Nanchang. The road was built by soldiers of the 3rd Route Army under General Chen Cheng. This highway is of particular importance as it not only greatly facilitates rehabilitation work in the bandit-devastated districts but also renders possible a trip between Nanchang, and Mingtu in 10 hours.

Extension of the Changchow-Changting (Tingchow) Highway, south-western Fukien, to Juikin, south-eastern Kiangsi, for the promotion of inter-communication between the two provinces, will be started shortly, according to plans of the Fukien Provincial Department of Reconstruction. The Changchow-Chingting Highway has recently been open to traffic and is proving a great convenience for transportation in that part of the province.

VOLUNTEERS AGAIN ACTIVE IN "MANCHUKUO"

Evidencing a renewed activity on the part of the volunteers opposing Japanese rule in Manchuria, a clash lasting seven hours between the volunteers and the "Manchukuo" troops is reported to have occurred in the neighborhood of Tunhua, about 100 miles south-east of Kirin City, capital of Kirin province, according to a message received at Tientsin from Mukden. The fighting was described to be very serious and resulted in heavy casulaties on both sides.

JAPANESE IMPORTS INTO TIENTSIN INCREASE

Japanese goods imported into Tientsin this year have increased three or four times compared with the same period in years before the September 18 Incident of 1931, according in information from customs circles. It is also stated that the Japanese imports into Tientsin comprise 70 per cent of of the total imports of that port.

Smuggling is also increasing and large quantities of Japanese-made dry goods and artificial silk materials are dumped on the market. More than 50 per cent of the articles sold in an ordinary department store are Japanese goods.

A secret publication issued by the "East Asia Federated Army" was discovered on Dec. 18 and several "generals," including a "government official," have been arrested by the Peace Preservation Corps at Choukechuang, a mining district along the Peiping-Mukden Railway, according to information received at Tientsin Dec. 10. One of the "generals" admitted that more than 500 men had been enlisted in the "Federated Army." He also confessed that Li Chi-chun, a notorious traitor, had sent agents to stir up trouble in the Changli district. Precautionary measures are being taken by the local authorities there to prevent an uprising.

A consignment of 102 lbs. of heroin belonging to Japanese mercants, on board the S.S. *Taishan Maru* was seized by the Customs authorities at Tientsin Dec. 21. The drug trafficer was immediately sent to the Japanese Consulate for questioning.

TERMS OF CANTON-NANKING CO-OPERATION DISCUSSED

Having conferred with Wang Ching-wei, President of the Executive Yuan, Sun Fo, President of the Legislative Yuan, and Dr. H. H. Kung, Minister of Finance, regarding the

Canton-Nanking rapprochement movement, Dr. Wang Chung-hui, Judge of the Permanent Court at The Hague, who arrived at Shanghai from Hongkong Dec. 21, left for Fenghua by way of Ningpo, Dec. 22 in the s.s. *Hsing Kiangteen*, to see General Chiang Kai-shek. The questions discussed by the Government leaders at Shanghai, it was learned from reliable sources, concerned the withdrawal of Nanking troops from the Kwangtung border; the organization of a special committee with members from the Ministry of War and other Government offices to study the question of censorship of news with a view to ensuring freedom of speech and at the same time keeping important military and diplomatic secrets from leaking out through newspapers; and the safeguarding of the liberty and lives of Kuomintang members and the people. Hu Han-min, who regards the stationing of Nanking troops along the Kwangtung border as constituting a menace to the present rapprochement talks, is understood to have been informed of the withdrawal of a portion of them into Hunan Province.

While no definite date had yet been fixed by Hu Han-min to start his trip north, Dr. Wang stated before his departive for Fenghua, satisfactory results had been achieved in the way of explaining away the misunderstandings and smoothing out the differences of opinion between the Central Government and the Southwest Authorities. Dr. Wang said that during his visit in the south, he had met all the important leaders, including Hu Han-min, Generals Chen Chi-tang and Li Tsung-jen and in his conversations with them, they all stressed the paramount importance and urgent need of national unity. He further stated that Mr. Hu expressed the opinion that his trip to the north was not so important as the question of working out definite measures to bring about the national unity, adding that as soon as these measures could be decided and agreed upon, he (Mr. Hu) could come north at any moment.

DR. H. H. KUNG PLANNING TRIP TO SOUTH CHINA

Dr. H. H. Kung, Vice-President of the Executive Yuan and concurrently Minister of Finance, declared Dec. 24 that he is planning to make a trip to the South, as soon as he can have more leisure at his disposal. Dr. Kung stated that he had contemplated such a trip several months ago, but owing to pressure of duties in the Capital, he had not been able to do so. Besides inspecting the financial conditions in the southern provinces, it is understood that Dr. Kung will call on Hu Han-min, veteran party leader in retirement at Hongkong, General Chen Chi-tang, Commander of the Kwangtung Provincial Forces at Canton, and other southwestern leaders and confer with them on measures to further cemont the relations between the National Government and the Southwest.

SOUTHERN MILITARY LEADERS TAKE IMPORTANT STEPS TOWARDS UNITY

At the meeting of the Southwest Branch Committee of the Central Executive Committee Dec. 17, an important resolution was submitted jointly by General Chen Chi-tang and General Li Tsung-jen to the effect that the Southwest having pledged obedience to the Central Government, all members of the Committee should hereafter exercise caution and care in making public statements and that they should be strictly prohibited to express freely their personal views regarding the situation, which may prove prejudicial to the interests of unity of the country. The resolution was unanimously passed at the meeting. Local political circles attach considerable significance to the adoption of the resolution, as it indicates definitely that the military leaders in the Southwest are whole-heartedly supporting the Central Government and are curbing the activities of the disgruntled politicians in the South.

Further demonstrating his sincere support for the Central Government, General Chen Chi-tang, highest military authority in Kwangtung, issued an order Dec. 19 strictly prohibiting the publication of news or articles in the local papers which tend to prejudice the interests of national unity. General Chen instructed his secretary Chen Yu-kun to censor news of this nature and suppress its publication.

In view of the great stringency of the provincial finance, General Chen Chi-tang has decided to curtail the military expenditure of the province as from January next year. At present, Kwangtung has an army of 60 Regiments. According to tentative plans decided upon, a sum of $15,000 is to be reduced from each Regiment and it is estimated that over $900,000 can be saved monthly by these reductions.

The death occurred at Canton at six p.m. Dec. 19 of Teng Tse-ju, veteran member of the Central Supervisory Committee. Mr. Teng died of pneumonia at the age of 67.

VETERAN KUOMINTANG LEADER DIED AT CANTON

Tsui Kwang-hsiu, one of the six South-West delegates who attended the C. E. C. Session at Nanking recently, arrived back in Canton Dec. 21 and immediately called on local leaders to report the results of the meeting. In an interview, Mr. Tsui stated that he was favourably impressed with the work of the Plenary Session, which adopted the proposals made by the South-West leaders, including a grant of $100,000 for the Sun Yat-sen University. He said he was also favourably impressed by the political conditions in Nanking.

General Chen Chi-tang has decided to hold a grand military review on the New Year Day, which will be participated by all the land, naval and air forces in Canton.

A net profit of over a $1,100,000 has been made by the southern section of the Canton-Hankow Railway during the past eleven month. The total income of the Railway for the year, however, represents a slight decrease as compared with the receipts of the previous year.

Plans are being made by the Central Bank of China for the establishment of a branch at Kweiyang, provincial capital of Kweichow. The branch is being opened at the request of the Kweichow Provincial Government.

GENERAL HUANG MU-SUNG TO VISIT NEPAL BEFORE RETURNING TO NANKING

According to information from the Mongolian and Tibetan Affairs Commission, General Huang Mu-sung, Special Envoy of the National Government to Tibet to offer secrifices to the late Dalai Lama, who has arrived at Calcutta from Lhassa, will pay a visit to Napal before resuming his journey for China. It is learned that the visit has been ordered to be made by the National Government, which in 1931 dispatched a special envoy there and conferred orders on the leading officials of the Nepal Government.

The two resident representatives of the Executive Yuan sent to Tibet, Liu Jui-chen and Chiang Chih-yu, have submitted their resignations to the Government. The Executive Yuan has requested both of them to withdraw their resignations.

MONGOL-TIBET SCHOOL OPENED AT SHANGHAI

A colorful ceremony marked the inauguration of the Mongolian-Tibetan School at Lunghwa Shanghai on Dec. 22, when Mayor Wu Te-chen officiated at the ceremony. Mayor Wu spoke briefly on the significance which marked the Mongolian-Tibetan School as leading to the promotion of cultural contact and the promoting of closer relationships, between Mongolians, Tibetans and the Chinese.

Beginning Jan. 1, 1935, the Ministry of Finance will appropriate a monthly grant of $10,000 for the administrative expenses of the Chinghai (Kokonor) provincial government.

KANSU-NINGHSIA PHONE LINE OPENED

The long-distance telephone line between Kansu and Ninghsia provinces was officially opened on Dec. 21.

Service on the new western extension of the Lung-Hai Railway between Tunghwan, in Shensi, on the Honan border, and Sian, provincial capital of Shensi, was successfully tested when an engineering train arrived at Sian Dec. 20 from Yengkow, the present western terminus of the line, 30 miles east of Sian.

One of the three main routes, through which communication in olden days between China and Rome of the Caesars was made possible, has been discovered, according to a telegram received here from Dr. Sven Hedin, famous Swedish explorer, upon his return to Suchow, north-western Kansu, following a long expedition to Central Asia. The route discovered was from Ansichow, north-western Kansu, to Hami, eastern Sinkiang, the message states. Efforts are still being made to locate the other two ancient inter-continental routes; these are believed to be from Tunhuang,

northwestern Kansu, to Bupupo, near Lob Nor in south-eastern Sinkiang, and from Kunlun Shan (Mountain) to Hotienchow, south-western Sinkiang.

LEGISLATIVE YUAN URGES REDUCTION OF NATIONAL BUDGET

The administrative expenses of the Government have to be cut down, in the opinion of the legislators, in Nanking. The national budget for the 23rd year of the Republic, 1934, was approved by the Legislative Yuan Dec. 21 and it was announced that a statement with the budget shortly will be submitted to the central authorities for further consideration. This report reveals important points in the national budget needing revision, particularly the excessive expenditure for financial administration which, it is pointed out, accounts for more than 9 per cent. of the annual budget, or 45 per cent. of the annual civil expenses. The expenses for the Customs and Salt Administration constitute the largest items on the budget and it is thought they should be cut down in proportion to the amount actually required.

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In compliance with the memorandum of the Chinese Government, China's annual contribution to the League of Nations will be reduced considerably as from next year. According to a report from Hu Shih-tse (Victor Hoo), Minister to Switzerland, who is in concurrent charge of the office of the Chinese Delegation at Geneva, as a result of representations made to the League Council, it has been arranged that, from 1935, China's contribution will be reduced from 48 Units to 42 Units, that is to say, China will pay annually a sum of $1,200,000 (equivalent to 1,200,000 Swiss Francs). With regard to the arrears due by China, it has been agreed that China will pay an extra annual sum of $258,904.46 (equivalent to 258,904.46 Swiss Francs), over a period of thirty years. Together with the new annual quota and the arrears, China will henceforth pay $1,458,904.46 each year to the League of Nations.

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Dr. H. H. Kung, Minister of Finance, announced Dec. 19 that £96,049 together with accrued interest since October 1, 1934, is being remitted to London by the Chief Inspectorate of Salt Revenue to pay the 1928 instalment of principal of the Crisp Loan of 1912. It will be recalled that payment of the arrears of interest of the Crisp Loan was completed during 1930, under the plan of 1929 for caring for arrears of the salt-secured loans. Last October, payment of the arrears of principal of the Anglo-French Loan of 1908, the senior salt-secured loan, was completed. The foregoing, Dr. Kung pointed out, cleared the way for commencement of payment of the arrears of principal of the Crisp Loan. The payment of the 1928 instalment at this time is the first step toward clearing these arrears.

In compliance with a petition of the Ministry of Foreign Affairs, the Executive Yuan has approved the appropriation of a sum of $10,000 for the relief of the unemployed Chinese nationals in Belgium to enable them to return to China. The Ministry of Finance has been instructed by the Executive Yuan be remit the sum to the Foreign Office for distribution among the vistims concerned in Belgium.

NANKING EXPLAINS NEWSPAPER REGULATIONS

The Central Kuomintang Publicity Committee in a reply to the Kwangsi Kuomintang's request for an explanation of the 14th Article of the Regulations Regarding Publication, stated as follows:—

1.—If the facts of a certain report prove to be true, newspapers are not required to publish any correction or retraction of that report.
2.—Newspapers have the right to publish in installments, any replies or corrections which they receive on reports or news. The newspapers may request the authors of such replies or corrections to shorten their articles it they are too long.
3.—Newspapers should publish corrections or retractions to a correction or retraction.
4.—Newspapers should be responsible for the publication of such corrections, retractions or replies to certain reports. The newspapers have the moral responsibility of not making public the name of the persons who submit such articles for publication.

CHINESE SERVICES CANNOT MARRY FOREIGNERS

A set of measures reestricting marriages between officers of the National Land, Naval, and Air Forces and members of the Diplomatic Service, and women of foreign nationality has been drawn up jointly by the Ministries of Foreign Affairs and War. According to these regulations, such inter-marriages among officers of the National Land, Naval and Air Forces and members of the Diplomatic Service are strictly prohibited. Hereafter, any person who marries a woman of foreign nationality will be ineligible for appointment to any post in the National Land, Air, or Naval Forces, or in the Diplomatic Service.

NO OFFICIAL CELEBRATION ON THE NEW YEAR DAY

New Year's Day will not be officially celebrated by the Government. As the country is still in the period of national emergency, the National Government will, following last year's example, hold no official reception. Besides notifying the diplomatic representatives in the Capital, the Ministry of Foreign Affairs has telegraphed to both its Shanghai and Peiping offices to notify the various diplomatic authorities.

NEW JUSTICE MINISTER TO ASSUME OFFICE ON 26TH

Wang Yung-ping, the newly appointed Minister of Justice, assumed his office on the 26th inst. Mr. Wang until recently was Chairman of the Examination Commission of the Examination Yuan. He succeeds Mr. Chu Cheng, who has resigned. Dr. Hsieh Kwang-sheng and Pan Pei-chun, Political and Administrative Vice-Minister of Justice, having tendered resignation of their respective posts, Hung Loh-tung and Hsieh Chien had been appointed their successors.

NEW CHEKIANG CHAIRMAN ASSUMES DUTIES

General Huang Shao-hsiung, the new Chairman of the Chekiang Provincial Government, officially assumed his duties Dec. 21. The new Provincial Government Committee at its first meeting under the chairmanship of General Huang decided to hold its oath-taking ceremony on the New Year Day. The various Provincial Departments under the old administration were also taken over simultaneously in the afternoon.

Admiral Chen Shao-kwan is reported to have submitted his resignation to the National Government as Minister of Navy on the plea of ill-health. He has, however, been asked to remain in office and granted a leave of absence for one month for recuperation. Admiral Chen is now in Shanghai and is said to be leaving here shortly for Fukien for a visit.

General Wen Chao-chi, the newly appointed Commissioner of Police of Shanghai, is scheduled to assume his office on the New Year Day.

Thousands of people are reported to be affected by an epidemic of black fever now raging in the Hwaiyin Area, northern Kiangsu.

CHINESE MOSLEMS MAKE PILGRIMAGE TO MECCA

A party of 126 Chinese Moslems, including 14 women and girls, from Kansu, left Shanghai, December 21, for Arabia, by way of India, for a pilgrimage to Mecca. The party expects to spend from five to six months for the trip.

NEW RADIO STATION AT HANKOW TO BE INAUGURATED ON NEW YEAR'S DAY

The second largest radio broadcasting station in China, the new 5-K.W. water cooled broadcasting station X G O W of the Hankow Municipal Government, will be officially inaugurated on the New Year Day. It is second only to the one in Nanking in power. A trial broadcast was made recently and the result was found very satisfactory. The station was built entirely by Chinese engineers, with material supplied by the China Radio Corporation. It is equipped by a 5,000 watts carrier output power, 15,000 volts d.c. supply on the plate and a most up-to-date water cooling system.

The total import of rolled tobacco and tobacco leaf in Shanghai for the last 11 months amounted to $23,576,561, showing an increase of five percent over the corresponding period of previous year, according to figures released by the Bureau of Foreign Trade of the Ministry of Industry.

Women "Shock-Laborers" Dig Moscow Subway

(From the Review's Special Correspondent)

MOSCOW:—The sudden appearance on a Shanghai downtown street of a brigade of young women wearing mud-bespattered rubber boots and overalls and each carrying a pick or shovel would create a sensation necessitating police action to clear the traffic. But this is a normal situation observable on any day in the week in connection with the construction of Moscow's new subway, popularly known as the "Metrostroi."

These young women, almost indistinguishable from men, except for their voices and an occasional touch of rouge on their cheeks or bit of ribbon about their necks are known as "udarniks" or shock-laborers. Thousands of these Russian Amazons have been brought into Moscow from the outlying rural and village districts for work on the subway, allegedly because the male laborers had either fallen down on the job or were behind on the "plan."

A Soviet Russian Feminine "Shock" Worker

One hears conflicting stories about the effectiveness of these female "shock-brigades," but the writer has heard on several occasions that they are 30 percent more efficient than the male laborers. Whether these women laborers engaged in heavy pick and shovel excavation would continue to be 30 percent more efficient than males over a long period cannot be determined. Heavy labor performed by women has never been a novelty in Russia, but in no place in the world, not excepting the Orient, is it so prevalent and common as in Russia today. American tourists who called at the U. S. embassy here in recent days were shocked into open-mouthed wonder at the sight of numerous Russian women, some wearing high boots and overalls but others attired in short skirts and coats and often without stockings, engaged in the demolition of a row of old buildings. Many are carrying bricks, others wielding crowbars are prying away at heavy stones and mortar in the walls and foundations and still others are carrying heavy timbers or shoveling rubble into trucks or wheelbarrows.

Soviet spokesmen and propagandists boast of the fact that they have succeeded in drawing a new strata of the population into industry. A recent pamphlet claimed that in the last four years a new "army" of women numbering 1,276,555 have been drawn into industry. Women, of course, are employed in certain classes of industries all over the world. In Japan they heave coal into the bunkers of trans-Pacific steamers at Nagasaki and in China they work in the fields along with men, but according to the propagandists here the labor of women in capitalist countries constitutes "exploitation," while in the Soviet Union it is voluntary and something to be bragged about. They claim that the number of women employed in the so-called skilled trades such as turners, fitters, tractor-drivers, chauffeurs, mechanics, foremen, engineers, agronomists, etc., is steadily increasing and that there are considerable numbers employed as directors of large enterprises. On the steamship jetty at Vladivostok the writer observed a woman foreman in charge of a gang of men engaged in the assembing and operation of an automatic carrier machine used in moving cargo from the ship to the warehouse. She appeared to have more knowledge of the operation of the electrically-driven machinery than any of the men in the gang.

George P. Apel, field engineer of the Caterpillar Tractor Company, who spent several months in Russia demonstrating his tractor on collective farms, stated that he experienced much less trouble in training women machinists to operate his tractors than was the case with the male mechanics. Women chauffeurs driving heavy trucks about the streets of Moscow is so common as to attract practically no attention, except from foreign tourists. The Moscow tramway service has been entirely taken over by women so far as the motor-drivers and ticketakers are concerned. It is claimed that these women receive the same pay as men and that the women receive vacations from three to four months for maternity cases and that the planned widespread development of public nurseries, kindergartens and public restaurants catering to the employees of the various industries will ultimately eliminate most phases of work that formerly bound women to the home.

In practically all literature referring to the "liberation" of women issued from the Soviet press much is made of the inferior status closely bordering on slavery which prevailed under the preceding czarist regime. Now the present government apparently has gone to the other extreme and if present tendencies continue the males are likely to become the slaves of future generations of Russian Amazons.

Probably of most significance, however, is the fact that thousands of these young women are being taught the use of fire arms. Under a policy inaugurated by War Commissar Voroshiloff several years ago the Soviet Government began issuing arms to women, both rifles and revolvers, and training them in marksmanship. A special badge is awarded to those who have shown proficiency in marksmanship; and in practically all towns and villages there are branches of an organization known as the Voroshiloff Sharp Shooters, containing both male and female members. One also observes on the trains and in the streets many women wearing military uniforms which are quite similar to those worn by men in the military services. There are said to be several expert women aviators in military service and one young women is said to hold the best record for parachute jumps.

Dr. H.H. Kung and Gen. Chiang Refute Rumors of Dollar Devaluation

Replying to the fear that a policy of devaluation might be adopted by the Ministry of Finance in the near feture, two very definite statements from General Chiang Kai-shek and Dr. H. H. Kung, Minister of Finance were issued over the Chirstmas holiday. Both declared that there is no intention of the National Government to devalue the silver dollar. The Minister of Finance definitely stated that rumor-mongers have been exciting the financial market to their own advantage with reports that the Government intended to devalue the dollar, adopt a policy of inflation and incidentally a standard of paper currency. These he denied. General Chiang Kai-shek, in a special interview at Fenghua, corroborated his brother-in-law's statements.

$20,000,000 in Silver Being Brought from Hongkong

In order to meet the present silver shortage in Shanghai it was freely reported that $20,000,000 worth of silver was being sent from Hongkong to Shanghai and that financial inducements were being held out to foreign banks to ship back to China silver whice had been shipped out of the country as the result of enhanced prices in America for the white metal.

The Color Line in Shanghai, South Africa, and the Southern Section of the United States

BY WILBUR BURTON

ONE of the most interesting, and at the same time most humilitating, sociological studies in the world is the color line prevailing in many places,—interesting because it reveals so many curious quirks of the so-called mind of man, and humilitating because it shows up the white race (of which the writer is a member) in its worst light.

Especial attention is called at the moment to the color line by the article in last week's *China Weekly Review* on "Inter-racial Relations in the South African Union," and the coincidental story from Shelbyville, Tennessee, about the slaying by National Guardsmen of three members of a white mob who were bent on lynching a Negro charged with rape of a white woman.

The writer can add nothing to discussion of the color line in South Africa, which he has never even visited, but having engaged in a total of six years of intensive journalistic work in the American South from Richmond, Virginia, to New Orleans, Louisiana, he can present a picture of inter-racial relations there which should prove quite instructive to Chinese here who object (and rightly) to the white superiority complex frequently manifested by many foreigners.

Chinese Put on Same Level with Negroes

Further, Chinese may be interested to know that in Mississippi, probably the most backward American state, they are officially classed with the outcaste Negroes. There are not, to be sure, any appreciable number of Chinese in Mississippi, but the children of those who are there are forced to attend Negro Schools—which are vastly inferior to white schools. A few years ago, one Chinese protested this ruling to the Supreme Court of the United States, but the case was thrown out without a decision on the technicality that the youth involved had passed the official school age before the Court got around to considering the matter.

Mississippi, which is half Negro in population, is further distinguished by the fact that it is a criminal offenese there to even advocate the racial equality of white persons and Negroes! Its Governor, now Senator, Bilbo, also declared in 1929 that "the state hasn't the time or resources to investigate 2,000 persons" who had engaged in that popular southern outdoor sport of burning a Negro at the stake.

Bilbo's attitude, incidentally,—and his attitude is typical of the bulk of the American South—makes the writer believe that something more than intent to lynch a Negro must have been involved in the Shelbyville episode, for it is certainly unique that any Southern soldiers would kill white men merely to protect a black pariah. Shelbyville is a mill town, and in view of the recent textile strike, it is altogether probable that labor troubles were also involved.

It is true, of course, that in recent years Southern liberals have been struggling to prevent lynching. Since 1889 there have been more than 3,000 recorded lynchings —many by burning at the stake—of Negroes in the South. In South Africa lynching is virtually unknown, although Negroes are often beaten to death in the rural districts by their white masters.

Negroes Do Not Get Fair Trials

On the whole, the American liberals have not had much success in preventing lynchings. But even if lynchings were prevented, that would not mean that the Negroes would obtain any substantially greater justice than they do today, for usually their trials in court—before exclusively white judges and juries—are merely *pro forma*, if they are accused of any offense against a white person. The public attitude was admirably summed up once within the writer's hearing by a sheriff in Cartersville, Georgia, who was seeking to prevent a Negro (charged with killing a white official) from being lynched. Said the sheriff to the leader of the mob: "This nigger (the contemptous term, similar to "Chink," always used by virtually all southern whites in reference to the Negro) is going on trial next week, *and if he "aint convicted, I won't say a word if you boys come back and hang him to the nearest telephone pole.*"

And that, in effect, was precisely what happened; the Negro's lawyers forced a postponement of the trial on the entirely justifiable grounds that a fair hearing was not possible in Cartervsille, whereupon the "boys" came back aad lynched him. Further, the county officials publicly justified the lynching on the grounds that the trial had been postponed.

The most popular justification of lynching is "pro. tection of southern womanhood" from Negro eroticism-Now it is certainly true that Negroes, like persons of every race, sometimes commit rape, but it is a matter of record that not more than 30% of the victims of the recorded lynchings have been accused of rape. And in the bulk of the cases where they have been so accused, the evidence has been far from convincing—as in the still pending Scottsboro case. Rather, as in the Scottsboro case, rape charges have merely been a screen for white persons "getting even" with Negroes for something else. In the Scottsboro case, the real offense of the Negroes appears to have been presuming to "hobo" on the same train with a number of white tramps and their semi-prostitute girl friends.

An illuminating—and almost incredible—instance of what southern whites regard as "rape" by a Negro may be found in the court records of Centreville, Tennessee, for the month of August, 1929. Turley Wright, a Negro, barely escaped lynching after a charge by a 55-year-old widow whose relatives admitted she "was not strong mentally." She said the Negro had raped her while holding a gun on her and her two granddaughters, and they corroborated her story. Two honest special state's attorneys had reason to doubt the evidence and discovered the granddaughters were not present at the time of the alleged crime. They then confessed their testimony was fabricated, and the widow admitted that part of her story was false although she reiterated the rape charge. The special state's attorneys withdrew from the case, but the attorney general refused to drop procseution and was supported by the judge. *And on the unsupported evidence of an admitted perjurer, the jury of* 12 *white men found the Negro guilty although they fixed sentence at* 10 *years imprisonment, instead of the customary daeth penalty.*

Generally Discriminated Against

Such cases are typical, not isolated, and if space permitted the writer could cite at least a score of similar ones from his own personal files and recollections of the years he spent in the American South. But in brief, it may be stated as a general rule that a Negro never obtains a semblance of justice when he faces a southern court in the U.S. on charges brought by a white woman or man. White men, on the other hand, are never punished severely, if at all, for offenses against Negroes.

Lynching and court injustice are only a part of the lot of the Negro in the American South. He cannot live in a white section of a city; he is also segregated on trams and trains; in the rural districts he is usually held in peonage by white plantation owners; only a few schools are furnished for him, and they are vastly inferior to even the very inadequate white schools in most southern states; his occupations are restricted and even when he does the same work as a white man, he receives less pay; and save in very isolated instances, he is denied, either by intimidation or discriminatory local legislation, the right to vote that is granted to all citizens by the America constitution. There is no pass system for his movements, as reported in South Africa by the article heretofore mentioned,—but if an American southern country decides to build or repair public highways, all able-bodied Negroes without white masters are rounded up and sentenced to six months on the chain gain to supply the labor. Yet many southern newspapers have frequently waxed indignant on "forced labor" in the Soviet Union!

The status of the Negro in the American South is based upon the scientifically untenable assumption that he is the inferior of the white man. A similar attitude prevails all over the United States, but while there are several public discriminations against the Negro in the North and West, he is generally given his full citizenship rights in these sections both in court and in everyday life. Further, there is little restriction on social equality between the Negroes and such civilized white persons who chose their acquaintances on the basis of culture instead of color. Also intermarriage between white persons and Negroes is possible in the North and West even though it is unthinkable to most white persons in these sections.

Kissing Negro Lips Taboo!

But in the South, a white man would be in danger of lynching of he dared associate with any Negro on the basis of social equality. In fact, mixed meetings—unless the Negroes are segregated—are criminal offenses in most southern states. And in Georgia it is—believe it or not—a capital offense for a white man to urge Negroes to claim their rights of citizenship under the American Constitution. The last word, however, in the southern white conception of degradation would be for a white woman to associate with a Negro on a basis of equality, however platonic their relations, and if such association were ever attempted in public it would inevitably result in the lynching of both parties. But, although not openly admitted, it is perfecsly preper, or at least only a minor peccadillo, for a white man to have a Negro mistress provided he always treats her as an inferior being and never kisses her upon the lips.

The alleged inferiority of the Negro was, of course, correct while he was a chattel slave (prior to 1865) to the extent that he was backward and illiterate because he was deprived of all opportunities for an education. And while there is no scientific warrant for any assumption of Negro inferiority *per se*, it might be that he is not as alert mentally in some ways as the most advanced white men. Certainly it is true that the majority of the most outstanding Negroes today are half or more white blood. However, even if the highest pure Negro mentality is somewhat lower than the highest white mentality that would not justify the treatment of the race that has been outlined. Further, the bulk of the Negroes in the American South are assuredly fully the equal in every practical respect to all save a small minority of the southern white men. Still further, when a Negro does achieve cultural equality with the best of the white race—as many of them have—the inferiority argument breaks down completely insofar as they are concerned.

And any list of a 100 most eminent living Americans would include many Negro names,—Paul Robeson, the actor; Professor Carter, the scientist; Dr. Moton, the educator; and the writers Weldon Johnson, W. E. DuBois, and Langston Hughes (who was in Shanghai last year). To be sure, none of these except Dr. Moton, are pure Negroes, but their status is the same,—*for any person with a known drop of Negro blood, however light his skin, is a Negro insofor as the southern whites are concerned.*

The men named above, and many others almost equally distinguished, would and should be welcomed in any civilized society of the world where no color line was drawn, yet in the American South they are legally and in public opinion alike classed as lower than the most degenerate specimens of the white race! They cannot eat in a white restaurant, or obtain a berth in a Pullman car, or vote, or visit a library (except the few miserable ones for Negroes), or be guests in the homes of white men with whom they have far more in common than in difference, save for the color of their skins.

Pigmentation of Skin—A False Standard

Space prevents any extended discussion af all the sociological implications of the color line, but one point must be emphasized, and that is its use by southetn capitalists in labor relations. Be he ever so lowly, every white southerner's greatest pride is that he is white. In fact, both his racial pride and his anti-Negro prejudice are all the greater if the color of his skin is all that he has to set him apart from the Negro peasants and proletarians. Such an attitude is indeed a boon to southern capitalists, for it prevents any possible interracial cooperation for betterment of labor conditions. Southern mill-owners, for example, have very deliberately made most of the textile jobs—which are among the lowest paid in all the United States—strictly "white men's jobs." But while Negroes are not employed in the mills, except as completely unskilled laborers, they have an adverse efiect on wages generally since the low pay they receive for the work they do forces down wages all around. Thus, in just this one phase of the situation, the southern color line injures hundreds of thousands of the white population as it does the Negroes.

In other ways also, in the writer's opinion, the color line is apt to prove as injurious to those who uphold it as to those upon whom it is imposed, for the man who can inflate his ego by belief that his own peculiar pigmentation makes him superior *per se* to someone with a different pigmentation has lost much of his better self. He is degarding himself by a false standard and is untrue to his humanity.

In conclusion, it can be said that in due time such barbarism as southern white persons of the United States inflict upon the Nergo may engender its own dire reaction. Such a time came in Haiti many years ago when the Negroes got out of hand for a brief period and slaughtered virtually all of their white masters. And history frequently repeats itself.

Vulnerability of Panama Canal Pointed Out by Editor in New York

Twenty patriotic men, willing to die for their country, could blast the Panama Canal to pieces in 12 hours, block the passage of boats for months and render it virtually useless, Nelson Rounsevell, editor of the *Panama American*, stated in New York Dec. 19. The editor asserted that, despite his warnings, many vital points in the zone are not guarded, although there has been some increase in the guard.

Subsidiaries to the canal are not guarded and four men could go to the hydro-electrical plant any night and destroy it, he said. They could at the same time destroy the electric plant that supplies the light and power for the machinery. He went on to say that 75 per cent of the Japanese in the Canal Zone have no visible means of support. Some of them operate barber shops in which nobody ever gets as shave or haircut, and others operate shirt factories that never sell shirts, he asserted. Some places bearing the labels of restaurants never serve meals. "Their fishermen fish with steel lines and no hooks but with lead sinkers, and it is obvious they are making soundings," the editor stated, in conclusion.

Protests Heighten Campaign for Canal Across Nicaragua

Japanese objections to the idea of the construction of a shipping canal across Nicaragua apparently have stimulated the campaign for the big ditch in the United States, especially by the Hearst newspapers, according to a special dispatch to the Tokyo *Yomiuri* rom New York.

The New York *American* recently featured a large cartoon showing Uncle Sam and a man labelled "unemployed," pointing to Nicaragua, the caption saying, "A Canal There Would Help Both of Them."

In his column "Today," Arthur Brisbane, Hearst columnist, referring to the comments of Mr. Amau, spokesman for the Japanese Foreign Office, wrote in the bluntest terms.

"Let us be frank with Mr. Amau," the editorial said. "It is for its strategic value largely that this country wants a Nicaragua canal. Friendly neighbors in Europe or Asia, becoming suddenly less friendly, might blow up the Panama Canal locks, and then our boats would have to go around the tip of South America. The Nicaragua canal would be at sea level, with no locks to blow up."

Shanghai Imports Increase $8,000,000

Imports to Shanghai from countries abroad during November jumped nearly eight million Shanghai dollars, as compared with the total of October imports, according to the Shanghai Monthly Returns of Foreign Trade. These show an increase of nearly $4,000,000 in goods exported from Shanghai to countries abroad during November, compared with the previous month. November imports from abroad totalled $45,955,478, as compared with $38,018,472, the total for October. Exports during the month amounted to $26,439,540, as against $22,976,058 for the month of October.

Vignettes of a Trip via Siberia*

BY B. ROZENBAUM

(Director of Out-door Advertising, Millington Ltd.)

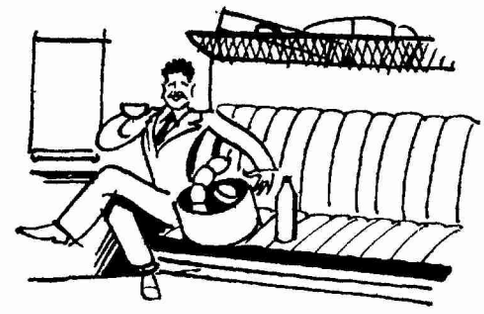
AT *THE SOVIET CONSULATE*:—A gloomy looking building on a side Street at Warsaw; the door is locked. I ring the bell and wait; after a minute of waiting I hear a buzzing sound and the door opens mysteriously. At the end of the hall an official scrutinises me with suspicion through a little peephole of a window.

He asks the nature of my business and I explain that I want a transit visa to China through the U.S.S.R. Then I am shown into another room; magazines are scattered on a table—French, English, German, and Russian publications explaining the amenities of life under the Soviet rule. After about half an hour I am introduced to the Consul's secretary; he gives me half a dozen forms to fill in. What they don't ask thereon is probably not worth asking. I fill in the forms; am invited to furnish three photographs and pay G.$10. At last I get my visa. It is all very impressive.

MOSCOW:—A mixture of a large village and a big city. Noise, dirt, people rushing about, a subway, some modern buildings under construction. Cannot get a taxi, and am told that to get one it is necessary to order it four or five hours in advance. Trams are overcrowded. There is hustle and bustle; shabby-looking people are everywhere. I see a long queue of people waiting. Is it a bread line? No; they are waiting for the latest edition of the paper. Am astonished at the number of people reading the news on the pavement, or in street cars.

All trade is done through official channels. A few stores which cater to free trade do not seem to havemuch for sale—neither do the others. No advertising of any kind can be seen. Isn't it too bad what happens to a country which stops advertising? Good idea for the *Milligram*. But my mistake; they *do* advertise. What else are those large red banners with white lettering in Russian, English, French, German, and even Chinese, which are displayed on the large Government buildings surrounding the Red Square? They advertise the only thing the Soviet have freely for sale: Soviet propaganda. Am hurrying back to the station,—still cannot get a taxi. I board the train just five minutes before it starts.

IN THE TRAIN:—In a number of compartments the windows are nailed and cannot be opened at all. I ask for an explanation. It appears that not long ago there were many people who managed to avoid paying for their fares by the simple device of climbing on top of the coaches. Not content to travel free some provided themselves with the luxuries of life by leaning from the roofs and helping themselves through the open windows to the belongings of lawful passengers. Hence the Authorities have ordered the windows to be nailed. In consequence, our luggage is safe, but the air is asphyxiating. Tiny particles of dust penetrate everywhere. There is a special bath car attached to the train; somehow it doesn't inspire confidence. I prefer to fall back on my supply of Eau de Cologne for my toilet. The food in the adjoining car is mediocre and frightfully expensive. A large basket of provisions I had brought with me comes in most handy and makes me almost entirely independent of the Dining Car.

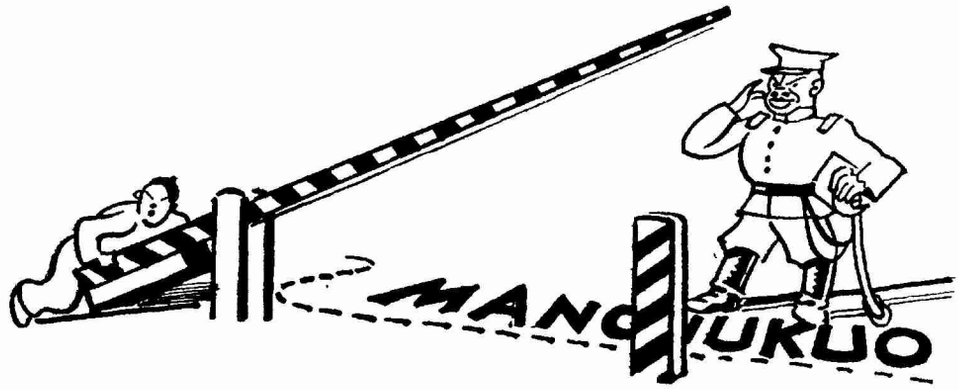


In the adjoining compartment there is a young girl student. She is travelling to Irkutsk to carry on with her studies in the University. The daughter of a workman undoubtedly—she seems very conscious of her importance. For four days running she prattles to whomever will listen to her about higher mathematics, physics, socialism and other probably important things. Fortunately, I am not one of her victims.

We pass goods trains loaded with trucks and agricultural implements. Most of the stations have new buildings erected thereon. Undoubtedly the Soviet shows a great deal of activity. Not far from Chita we see a big Aviation field; squadrons of airplanes are manoeuvering over us and about fifty 'planes are on the landing field.

On the 8th day after our departure from Moscow we arrive at the Soviet Frontier Station called 86 Rozezd. Just a few barracks in a barren and desolate country. Luggage is examined by the Customs and passports are verified. The officials are courteous and business-like. I do not meet with any difficulty. One passenger, however, has not his papers in order. I do not know what the trouble is. He is taken out of the train and detained until his case is investigated. Our train pulls off towards the Chinese border. As there are only two trains a week the poor fellow, if nothing worse happens to him, will be able to proceed with his journey in four days. Everybody pities him but inwardly we are glad not to be in his shoes.

SO THIS IS MANCHUKUO!—We are at last in China—in Manchukuo, I mean. We get off the train; passports are inspected. I have no Manchukuo visa. You cannot get one in Europe. Am told that I can get a visa at the office of the Wai Chia Pou. I hasten to proceed there. The Independent State of Manchukuo is represented there by a Japanese official, who grants me a visa which enables me to proceed further with my journey.



**Reprinted from "The Milligram" (Dec. issue), house organ of Millington, Limited, Shanghai advertising agents—28 pages of sprightly contents and illustrations devoted to the science of publicity.*

Chronology of Events in China for 1934

JANUARY

1.—Hu Han-min issued circular telegram declaring his opposition to the Fukien Rebellion, appealing that both Nanking and Fukien should suspend hostilities.
2.—Dr. Chao-chu Wu, former Minister of Foreign Affairs, died at Hongkong.
4.—Liu Kwei-tang's Rebel Forces penetrated into Honan and Shantung.
6.—Yenping, important city in northern Fukien, held by the Fukien Secessionists, captured by the Nanking Forces.
7.—General Sheng Shih-tsai, military leader in Sinkiang, telegraphed the Nanking Government, reporting on the cessasion of hostilities in Sinkiang.
8.—National Government granted pardon to General Tang Yu-lin who was held responsible for the loss of Jehol to Japan, and cancelled his order of arrest.
8.—General Chang Hsueh-liang arrived at Shanghai from Europe.
11.—The Customs receipts for the year of 1933 were announced to be Hk. Taels 339,522,000.
12.—National Government appointed General Chen Yi, Vice-Minister of War, as Chairman of the new Fukien Provincial Government and General Chiang Ting-wen as Commander-in-Chief of the Communist suppression Forces for the provinces of Kiangsi, Fukien, Kwangtung, Hunan and Hupeh.
12.—National Government appointed General Huang Mu-sung as Special Envoy to Tibet to offer sacrifices to the late Dalai Lama.
12.—General Sun Tien-ying, Commander of the 41st Army issued circular telegram, announcing that he was moving his troops westward to Chinghai (Kokonor).
13.—The 19th Route Army evacuated Foochow without resistence, and the city was taken by the Nanking naval forces.
14.—General Ho Ying-chin, Chairman of the Peiping Branch Military Affairs Commission, telegraphed to General Sun Tien-ying and General Ma Hung-kwei (Chairman of Ninghsia), instructing them to suspend hostilities.
14.—Remnants of the 19th Route Army concentrated at Chuanchow in southern Fukien, preparing to make further resistance against the Government Forces.
16.—National Government appointed Dr. V. K. Wellington Koo, Chinese Minister to France, as an assesor of the Hague Court of Arbitration.
16.—Japanese and "Manchukuo" troops attacked and occupied Chaochiaingtse and further attacked Lungmengsha in eastern Chahar. The Chahar troops under command of General Chang Jien-chih fought against the invaders.
16.—The Panchen Lama arrived at Kweihua, Provincial Capital of Suiyuan, from Pailingmiao.
17.—Eugene Chen, Geroge Hsu Chien and other Fukien rebel leaders arrived at Hongkong from Foochow after collapse of the so-called People's Government.
18.—Japanese troops invading Lungmengsha in Chahar withdrew and the situation in eastern Chahar became easier.
20.—The 4th Plenary Session of the Central Executive Committee opened at Nanking; Wang Ching-wei presided.
21.—Changchow, last stronghold held by the 19th Route Army in Fukien, captured by the Government troops.
21.—The various Division Commanders of the 19th Route Army issued joint circular telegram, pledging their allegiance to the National Government and urging Generals Chen ming-shu, Tsai Ting-kai and Li Chi-sen to leave the Army.
22.—General Chiang Kai-shek, President of the Military Affairs Commission, arrived at Nanking from Kienou in northern Fukien.
24.—The Panchen Lama arrived at Nanking to confer with the Central Authorities on the Mongolian situation.
25.—General Ho Ying-chin and General Yen Hsi-shan jointly mediated in the war between General Sun Tien-ying and General Ma Hung-kwei.
26.—Lin Sen took oath office as Chairman of the National Government for the second term.
28.—China observed 2nd anniversary of the Japanese Invasion of Shanghai.
28.—National Government appointed General Chen Tiao-yuan as Commander-in-Chief of the General Reserve Force of the Bandit-Suppression Armies in Central China.
29.—War between General Sheng Shih-tsai and General Ma Chung-yin continued to be waged in the vicinity of Tihua, provincial capital of Sinkiang, both sides suffering heavy casulties.
30.—Remnants of the 19th Route Army to be reorganized into the 7th Route Army with General Mao Wei-shou as Commander.
30.—Executive Yuan dismissed General Sun Tien-ying from his concurrent post as Reclamation Commissioner of Chinghai (Kokonor).

FEBRUARY

1.—General Chiang Kai-shek arrived at Hangchow from Nanking.
1.—T. V. Soong issued statement reporting on the work of the National Economic Council during 1933.
3.—General Chiang Kai-shek held important conference with Dr. H. H. Kung, T. V. Soong and General Chang Hsueh-liang at Hangchow.
3.—Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, arrived at Shanghai on furlough.
5.—The Peiping Branch of the Military Affairs Commission dismissed General Sun Tien-ying as Commander of the 41st Army and ordered him to hand over the Army to two designated commanders.
5.—Dr. W. W. Yen arrived at Nanking to report to the Government on the Sino-Russian relations.
6.—National Government approved the petition of the Tibetan authorities and people to appoint Yeh-Cheng as Acting Chief Governing Official of Tibet and Szu-Lun-Keh-Yuan as Commander of the military forces.
7.—National Government appointed General Chang Hsueh-liang as Deputy Commander-in-Chief of the Communist-suppression Forces for the Provinces of Hupeh, Honan and Anhwei.
8.—Ministry of Finance concluded loan of $44,000,000 with Chinese banks in Shanghai secured on the Boxer Indemnity refunds from Italy.
9.—General Chiang Kai-shek returned to Nanchang to resume direction of the Communist suppression campaign.
10.—Shanhaikuan formally taken over by the Chinese Authorities from Japanese control. The Pass was lost to Japanese military on January 3, 1933.
11.—General Chiang Kai-shek and Wang Ching-wei issued joint telegram, reiterating their policies in the suppression of the Communist-bandits and reconstruction of the country by production.
12.—General Yen Hsi-shan telegraphed to Peiping Military Authorities, reporting that the Shansi-Suiyuan Expeditionary Army had been mobilized to campaign against General Sun Tien-ying.
14.—Nanking held memorial service for the late Dalai Lama. Wang Ching-wei officiated at ceremony.
17.—Remnants of General Ma Chung-ying's Army withdrew from Tihua to Hami.
18.—General Lung Yun, Chairman of Yunnan, wired Nanking Government, reporting that a group of armed British nationals entered into the Yunnan border from Burma and explored mines on the border districts. Nanking officially notified the British Minister to China of the incident.
18.—Six suspects arrested at Tientsin for attempted assassination of General Ma Chan-shan, hero of the Nonni River battle in Heilungkiang, winter of 1931.
19.—Japanese military completed construction of 38 airdromes in Manchurian provinces and Jehol.
19.—General Tsai Ting-kai arrived at Hongkong, preparatory to going abroad.
20.—The Panchen Lama assumed office as member of the State Council of the National Government at Nanking.
21.—Akira Ariyoshi, the Japanese Minister to China, arrived at Nanking from Shanghai and called on Wang Ching-wei.
22.—Shansi-Suiyuan Expeditionary Forces started large scale operations against the troops of General Sun Tien-ying's troops.
22.—Nanking received reports, stating the Tungan Troops quelled the rebellion in southern Sinkiang Feb. 6.
24.—Remnants of General Ma Chung-ying's Army retreated in the direction of southern Sinkiang to assist the rebel force there.
24.—T. V. Soong issued important statement on silver question.
25.—Yunghsing, an important Red stronghold in Kiangsi, captured by Government Forces.
27.—General Chiang Ting-wen, Fukien military leader, arrived at Canton by airplane from Fukien and conferred with General Chen Chi-tang on the Communist-suppression campaign.
27.—Hsu Ming-hung, a prominent leader in the Fukien Independence Movement, shot at Swatow by order of General Chen Chi-tang.
28.—The Central Political Council approved the Silver Agreement.
28.—Central Political Council approved the eight principles governing the local self-government of Inner Mongolia.

MARCH

1.—Pu Yi assumed the imperial title as "Emperor of Manchukuo," at Changchun. Wang Ching-wei in his capacity as Minister of Foreign Affairs issued statement on the question.

1.—General Chiang Kai-shek issued important statement, denying that he was aiming at dictatorship of China or contemplating the restoration of the Tsungli system in the Kuomintang.

1.—General Chang Hsueh-liang assumed office as Deputy Commander-in-Chief of the Communist-suppression Forces for the provinces of Hupeh, Honan and Anhwei.

2.—General Liu Wen-hui wired the National Government, reporting the the Tibetan troops renewed military operations against the Chinese troops in Hsikong.

2.—Liu Wen-lung, Chairman of Sinkiang, issued circular telegram, pledging to preserve the territorial integrity of Sinkiang and to suppress the rebel forces of Ma Chung-ying. He petitioned the Central Government to appropriate money to finance rehabilitation of the province.

4.—Chinese authorities formally took over control of Kupeikow from the Japanese. The Pass had been lost for 357 days.

4.—Tibetan Forces pressed forward against Hsikong; situation serious.

5.—Sinkiang Authorities wired Nanking, reporting that fighting in northern Sinkiang had completely ceased.

6.—Southwest Branch Committee of the Central Executive Committee issued circular telegram, condemning Pu Yi for assuming imperial title in Manchuria.

6.—Nanking lodged formal protest with the British Legation in China against the exploration of mines in Yunnan border by British nationals.

7.—National Government appointed General Ho Ying-chin and Chao Tai-wen Director and Vice-Director of the Mongolian Local Political Council.

7.—Nanking notified the American Legation in China proposing revision of the Chinese-American Commercial Treaty.

8.—General Chang Hsueh-liang arrived at Nanchang to see General Chiang Kai-shek.

11.—National Government issued official statement on the assumption of imperial title by Pu Yi at Changchun.

11.—New Life Movement officially inaugurated at Nanchang. General Chiang Kai-shek addressed the mass meeting there on the meaning and significance of the Movement.

12.—Liu Kwei-tang's brigands penetrated into southern Shantung.

13.—Sinkiang Reconstruction Committee under the Executive Yuan held its first meeting at Nanking.

15.—Japanese troops in eastern Chahar continued to be increased preparatory to further thrust into the province.

15.—British Legation officials verbally replied to the Chinese protest against the exploration of sines in Yunnan border by British nationals.

15.—Tibetan troops attacked and occupied Tengko district in Hsikong. General Liu Wen-hui appealed to Szechuan authorities for reenforcement and military supplies.

16.—New Life Movement Association at Nanking Inaugurated with Wang Ching-wei and others as supervisors.

18.—Administrative Conference of the various provinces summoned by General Chiang Kai-shek was opened at Nanchang.

19.—Szechuen Army recovered Pachung in northern Szechuan from the Communists.

21.—General Han Fu-chu, Chairman of Shantung, personally directed the campaign against the brigands under Liu Kwei-tang in southern Shantung.

26.—National Economic Council at its first general meeting at Nanking approved the measures for the distriubtion of the American Cotton and Wheat Loan.

28.—General Sun Tien-ying left the 41st Army and arrived at Taiyuan from Ninghsia at the invitation of General Yen Hsi-shan.

28.—General Huang Shao-hsiung, Minister of Interior, left Nanking for Peiping to inspect conditions in North China under ordrers of General Chiang Kai-shek.

29.—National Government obtained consent of the American Government for the reduction of the Cotton and Wheat Loan from $50,000,000 to $20,000,000.

29.—General Ma Chung-ying's remnant troops evacuated Hami for southern Sinkiang.

30.—President Wang Ching-wei officially denied that the Government was contemplating any change of its fixed policy vis-a-vis Japan.

31.—Japanese military in North China enlisted large number of Chinese coolies to Jehol as workers on road building.

31.—Remnants of Gen. Ma Chung-ying's troops penetrated into Kansu and occupied Tunghuan and other cities.

31.—Nanfeng, important Red stronghold in southern Kiangsi, captured by Government troops.

APRIL

2.—Chang Chi issued statement at Nanking after inspection tour to North and Northwestern China, stating that grave dangers lurked in the North.

2.—General Chen Chi-tang and Li Tsung decided to main-maintain *status quo* in Southwest China; the two Southwest Party and Administrative organs be maintained for the time being.

3.—Gen. Huang Fu left Peiping for Nanchang to see Gen. Chiang Kai-shek and ask for instructions to cope with the growing serious situation in North China.

3.—Parties of natives of Burma penetrated into the Yunna border in an attempt to exploit the gold mines there.

4.—Sino-Turkish treaty of Amity signed at Angora, Capital of Turkey.

4.—National Salt Administration Conference opened at Nanking.

5.—General Huang Shao-hsiung arrived at Taiyuan to confer with General Yen Hsi-shan.

6.—Japanese increased troop garrison at Malanyu, a pass in the Great Wall Region.

6.—Ministry of Finance started enforcement of the silver export tax.

7.—General Sung Chih-yuan summoned confernece at Kalgan discussing measures for coping with the Japanese aggression in eastern Chhar.

10.—Wang Ching-wei left Nanking for Nanchang to confer with Generals Chiang Kai-shek and Huang Fu on the North China situation.

10.—The League of Nations' technical expert, Dr. L. Rajchman left Shanghai for Europe.

12.—General Tsai Ting-iai, accompanied by several other high commanders of the former 19th Route Army, left Hongkong for a tour in Europe and America.

13.—Serious situation prevailed in North China as Japanese insisted on their demand to resume through rail traffic service and postal communication with Manchuria.

15.—Tai Chi-tao, Exmination Yuan President, flew to Chinghai (Kokonor) to inspect conditions there.

16.—General Huang Fu arrived at Shanghai from Nanchang and issued statement on the situation in North China.

17.—Japanese Minister, Akira Ariyoshi, called on General Huang Fu at Shanghai, discussing the Sino-Japanese situation in North China.

17.—Communists under Lo Ping-hui attacked and occupied Yungan district in western Fukien.

17.—Minister of Industries, Chen Kung-po, left Shanghai for an inspection trip to the South Seas Islands.

20.—Nanking Government telegraphed to General Han Fu-chu, asking him to withdraw his resignation.

22.—Liu Kwei-tang's marauders in Shantung suppressed; Liu himself having fled to Tientsin.

23.—T. V. Soong left Nanking for inspection tour to the Northwest. He issued a statement on the same day, saying that China would under no circumstances abandon her plan of technical co-operation with the League of Nations because of the opposition of Japan.

23.—Monogolian Local Political Council inaugurated at Pailingmiao.

23.—Tibetan Delegation to welcome back the Panchen Lama to Tibet arrived at Shanghai from Lhassa.

24.—The Southwest Political Council held extraordinary meeting in connection with the "Opposite Shore Conference" held by the Japanese officials in Formosa.

25.—Dr. H. H. Kung left Nanking for Nanchang to see General Chiang Kai-shek to discuss the financial problems of the Government.

25.—T. V. Soong arrived at Sian, Shensi.

26.—General Huang Mu-sung, Special Commissioner of National Government to Tibet, departed from Capital for Szechuan, en route to Lhassa to offer sacrifices to the Late Dalai Lama.

26.—Tai Chi-tao returned to Nanking after inspection tour to the Northwest.

26.—The Panchen Lama arrived at Hangchow from Nanking to lead world peace prayer meeting.

27.—The Southwest Branch Committee of the Central Executive Committee cabled to the League of Nations and the Signatories of the 9 Power Treaty, condemning the Japanese declaration. Hu Han-min issued statement to the friendly Powers of China, on the Far Eastern Question.

27.—General Chiang Kai-shek issued circular telegram, ordering the enforcement of the New Life Movement.

28.—Government troops captured Kwangchang, Red stronghold in Kiangsi.

29.—General Liu Hsiang reported that over ten Red strongholds captured by the Szechuan troops.

30.—National Economic Council appropriated $2,000,000 for the rehabilitation of the recovered distrists from the Reds in Kiangsi.

MAY

1.—Officials of the Mongolian Local Political Council issued circular telegram, announcing their assumption of office.

2.—Japanese Government notified Chinese Government, demanding readjustment of Japanese loans to China.

2.—The Peiping Branch Military Affairs Commission appointed General Tang Yu-lin and General Sun Tien-ying as high counsellors to the Commission.

2.—T. V. Soong arrived at Lanchow, Kansu, by airplane and issued statement on the plans of reconstruction of the Northwest.

5.—Tan Cheng, Vice-President of Judicial Yuan, and Kuo Chung-tao, Vice-Minister of Industries, departed from Shanghai for investigation tour abroad.

6.—Japanese military started construction of airdrome at Pailitai near the Nankai University in Tientsin.

6.—Generals Chen Chi-tang and Li Tsung-jen telegraphed to General Chiang Kai-shek and Wang Ching-wei, submitting plans for national defence.

8.—Tientsin Municipal Government protested to Japanese authorities against construction of the Pailitai airdrome.

9.—T. V. Soong visited Hsining, provicial Capital of Chinghai (Kokonor), in the course of his northwestern investigation tour.

10.—The report on the technical co-operation between the League of Nations and China by Dr. L. Rajchman published today.

10.—The Chinese Mission headed by General Hsu Ting-yao and Vice-Minister of Communications, Yu Fei-pang, to study military communication abroad, departed from Shanghai for Europe.

11.—Serious fighting between the Government troops and the Communist in the vicinity of Yungan district, western Fukien.

15.—Dr. Wang Hsin-kung appointed President of the National Wuhan University.

17.—Nanking received reoprts that Hami had been recovered from the insurgent troops of General Ma Chung-ying.

18.—Tientsin Municipal Government lodged second protest with the Japanese Consular authorities at Tientsin against the construction of the Pailitai Airdrome.

18.—Japanese military reported to have organized an International Secret Intelligence Service with headquarters at Tientsin.

18.—T. V. Soong returned to Shanghai from northwestern tour.

21.—The Second National Finance Conference opened at Nanking.

21.—General Huang Mu-sung, Special Envoy of the National Government to Tibet, arrived at Tatsienlu en route to Lhassa.

23.—Japanese telegrams stated that Wang I-tang was attempting to revive the defunct Exchange Bank of China and Japan at Tientsin.

24.—National Finance Conference passed resolution abolishing miscelleneous taxes and exorbitantl evies.

27.—The Second National Finance Conference closed at Nanking.

28.—Ministry of Communications issued official statement, denying that negotiations were under way for the resumption of postal relations between North China and Manchuria.

28.—Japanese military agent, Major-General Banzai, arrived at Peiping, reportedly for the purpose of arraging for the restoration of the defunct Exchange Bank of China.

29.—National Government issued mandate, prohibitng provincial Governments to contract foreign loans without authorization of the Central Authorities.

JUNE

1.—Liencheng, important Red stronghold in western Fukien, recovered by Government forces.

4.—General Chu Shao-liang, the Kansu Chairman, arrived at Nanking to report on conditions in that province.

4.—Ministry of Communications took over the Great Northern and Eastern Cables.

6.—Nanking received reports from Tibet, stating the Lungshar, former Commander-in-Chief of the Tibetan Forces, murdered at Lhassa May 30. Lungshar opposed the return of the Panchen Lama to Tibet.

7.—General Han Fu-chu, the Shantung Chairman, arrived at Nanchang to see General Chiang Kai-shek.

8.—National Government issued mandate, ordering abolition of the miscelleneous taxes and exorbitant levies.

8.—Japan reportedly to have approached the Fukien authorities for lease of Santuao, an island on the Fukien coast, as a naval base.

8.—Japanese Vice-Consul, at Nanking, Kuramoto, reported missing to-night.

8.—Ministry of Foreign Affairs released text of the Sino-Turkish Treaty of Amity.

10.—Kwangtung Provincial Government issued order for the arrest of 103 people who participated in the Fukien independence movement. General Huang Hsiang, former Chief of Staff of the 19th Route Army, headed the list.

11.—Nanking authorities offered cash reward of $100,000 for the reach and discovery of the missing Japanese Vice-Consul, Kuramoto and started a house-to-house search in the Capital.

11.—Minister of Industries, Chen Kung-po, returned to Shanghi from a trip of investigation in the South Sea Islands and issued statement on his observations abroad.

12.—Japanese Consul-General, Y. Suma, called at the Ministry of Foreign Affairs, demanding the Chinese authorities to trace the whereabouts of the missing Japanese Vice-Consul Kuramoto. On same day, a Japanese destroyer arrived at Nanking from Shanghai as a demonstration.

12.—Chairman Lin Sen and General Chiang Kai-shek arrived Kuling for Summer vacation.

13.—Kuramoto discovered in a self-dug cell near the Ming Tombs in Nanking.

13.—General Fu Tso-yi, Chairman of Suiyuan, arrived at Nanking to report on conditions in Suiyuan province.

14.—Japanese Consul-General, Y. Suma, called at the Ministry of Foreign Affairs to express thanks to the Chinese authorities for the search and discovery of Kuramoto.

14.—Japanese troops surrounded the Chinee Magistrate Office at Changlai in Luantung District, demanding the Magistrate to hand over the fines for opium-smoking and gambling to them.

15.—General Chiang Kai-shek arrived at Nanking from Kiangsi.

15.—American missionary, Dr. Ingram, murdered by bandits in the Western Hills, Peiping.

16.—Dr. W. W. Yen called on General Chiang Kai-shek at Nanking and reported on Sino-Russian relation.

17.—The s.s. *Shuntien* of the Butterfield and Swire pirated near Chefoo; over twenty Chinese and foreign passengers and two ship officers carried off.

18.—16 Chinese deported by Japanese Government arrived at Shanghai.

18.—General Ho Chien, the Hunan Chairman, left Chansgah for Canton to confer with the Southwest leaders on the Communist suppression campaign.

19.—Detailed arrangements for the resumption of through traffic of the Peiping-Liaoning Railway decided upon at Dairen Conference.

19.—The Changlai incident settled: the opium-smoking and gambling fines forcibly taken away by the Japanese military returned to the Magistrate Office.

19.—General Han Fu-chu ordered an expedition against the pirates of the s.s. *Shuntieu*.

20.—Foreign captives by the pirates of the s.s. *Shuntien* all rescued.

20.—General Ho Chien arrived at Canton and conferred with Generals Chen Chi-tang, Pai Chung-hsi and Li Tsung-jen on the Communist situation.

22.—Szechuan Government troops recovered Tungkiang from the Communists.

22.—Dr. H. H. Kung, Minister of Finance, left Nanking for Peiping to inspect financial conditions in North China.

22.—Nanchang military headquarters issued identic orders to Honan, Hupeh, Kiangsi and Anhwei provincial authorities, enjoining the compiete suppression of opium evil within a fixed period of six years.

25.—Definite arrangements made for the resumption of the through traffic service on the Peiping-Liaoning Railway; an agency to handle traffic matters under the name of "Eastern Tourist Bureau" to be jointly organized by the Chinese and Japanese authorities with head office at Shanhaikuan.

25.—National Government issued mandate ordering abolition of illegal taxes and levies.

26.—General Chiang Kai-shek arrived at Hangchow to confer with General Huang Fu on foreign affairs in North China.

26.—Japanese Minister, Ariyoshi, called on Wang Ching-wei conveying the instructions of his Government regarding the revision of the new Chinese Customs import tariff.

29.—The so-called "Eastern Tourist Bureau" formally established at Shanhaikwan.

29.—Control Yuan formally impeached Minister of Railways, Ku Meng-yu, charging him with irregularities in connection with the purchase of materials for Tatung-Tungkwan Railway from French interests.

29.—General Huang Mu-sung entered Tibetan territory and was welcomed by a Tibetan delegation from Lhassa.

JULY

1.—Through service on the Peiping-Liaoning Railway resumed today. First through train from Peiping was bombed at Chating near Tientsin, several passengers killed and many others injured.

2.—Ying Tung, Managing Director of the Peiping-Liaoning Rzailway, tendered resignation on account of the Chating incident.

2.—Sun Fo, President of the Legislative Yuan, left Shanghai for Summer vacation in Honolulu.

4.—The China Development Finance Corporation inaugurated.

5.—General Chiang Kai-shek arrived at Nanking from Fenghua.

5.—Nanking established five customs stations in the Great Wall region.

5.—Dr. Wellington Koo, Chinese Minister to France and Dr. Wang Chung-hui, Judge at The Hague Court of International Justice, arrived at Shanghai from Europe.

6.—General Ho Chien arrived at Nanking from Canton to report to General Chiang Kai-shek on the outcome of his mission to the South.

7.—General Chiang Kai-shek left Nanking for Kiangsi.

12.—Negotiations for revision of the Canton-Kowloon Railway Agreement opened at Hongkong.

12.—The National Antiques Preservation Committee formed at Nanking.

13.—General Mao Peng-chu, Principal of the Hangchow Aviation Academy, left China for inspection tour abroad.

14.—The Panchen Lama arrived at Peiping from Nanking by airplane.

15.—General Ma Chung-ying disarmed and interned by Soviet Russians together with his troops. They entered the Soviet territory on the 10th inst.

15.—Government received reports from Chekiang, Honan and Kiangsi on serious drought conditions.

18.—Japanese summoned important conference in Formosa discussing measures to extend Japanese influence into south China. The conference was popularly known as "The opposite Shore Conference."

19.—Central Political Council approved the national budget for the year . Income and expenditure balanced at $777,-302,226.

20.—Supreme Court ordered remission of the sentence of Chen Tu-hsiu, the communist leader, from 15 years' imprisonment to 8 years.

23.—Ying Tung arrived at Dairen to open discussions with Japanese on outstanding sino-Japanese questions.

27.—Yin Tung retruned to Shanghai from Dairen after tow-day conference with Japanese Kuantung Army officials.

27.—Sun Fo, President of the Legislative Yuan, had an interview with President Roosevelt at Honolulu.

28.—New Agreement of Canton-Kowloon Railway signed at Hongkong.

AUGUST

1.—Sun Fo left Honolulu for Hongkong after two-month vacation there.

3.—Government troops in Fukien recaptured Shuikow from the Communists. Foochow was safe.

5.—Government received reports, stating 11 provinces had been affected by the drought. Loss estimated $2,300,-000,000.

6.—General Sheng Shih-tsai reported to the Government on suppression of the rebellion of General Ma Chung-ying in Sinkiang.

6.—National Government appointed Minister. Quo Tai-chi, Wunsz King and T. Y. Lo as Chinese delegates to the 15th Assembly of the League of Nations.

9.—Wang Ching-wei and other Government officials arrived to Kuling and conferred with General Chiang Kai-shek on the situation. General Huang Fu also participated in the conference.

17.—The Pachan Lama arrived at Paotou from Peiping.

23.—General Liu Hsiang, Commander-in-Chief of the Anti-Bandit Forces, and the Rehabilitation Commissioner, of Szechuen, left Chengtu and tendered resignation to the Central Governmentof his posts.

25.—General Huang Mu-sung, arrived at Lhasa.

27.—Today, being the anniversary of the birthday of China's Great Sage, Confucius, an elaborate sacrificial ceremony was held at Chufu, Shantung. Similar commemoration services were held at Nanking and other cities.

31.—Sun Fo, President of the Legislative Yuan, left Honolulu, sailing for China.

SEPTEMBER

2.—The Japanese aerodrome outside the Great Wall pass, Hsifengkou, was completed with an accommodation for over 100 planes.

3.—Lin Sen, Chairman of the National Government, returned to Nanking from Kuling.

4.—General Liu Wen-tao, Chinese Minister to Italy, and General Yang Chih, Special Commissioner to study Military Affairs in Europe, returning to China, arrived at Shanghai.

12.—Sun Fo, the President of the Legislative Yuan, returned to Shanghai from Honolulu.

15.—Dr. H. H. Kung denied the report that the Cotton and Wheat Loan had been deverted for purchase of amunitions.

19.—General Huang Fu returned to Peiping from Nanking by aeroplane.

20.—Yu Yu-jen, President of the Control Yuan, returned to Nanking from his home in Shensi.

23.—Sacrificial ceremony to the late Dalai Lama and the ceremony of canonization were held at Lhassa.

26.—General Ho Ynig-ching, Chairman of the Peiping Military Council, left Peiping Charhar and Suiyuan on an investigation tour.

OCTOBER

1.—General Huang Mu-sung offered sacrifice to the late Dalai Lama at a Temple in Lhassa.

3.—Central Political Council decided to transfer the jurisdiction of the Ministry of Justice from the Executive Yuan to that of the Judicial Yuan.

4.—General Chiang Kai-shek arrived at Hankow from Nanchang to inspect conditions in Central China provinces.

7.—General Ho Ying-ching left Peiping for Hankow to see General Chiang Kai-shek.

8.—General Chiang Kai-shek telegraphed to the chairmen of ten provincial governments, ordering the enforcement of compulsory labor.

10.—Wang Chung-hui arrived at Hongkong on peace mission.

12.—General Chiang Kai-shek, and Chang Hsueh-liang, arrived at Sian.

14.—The Anti-Red Army in Kiangsi captured Hsinkuo in Kiangsi.

14.—The Ministry of Finance increased the silver export tax.

16.—The Draft Constitution was passed by the Legislative Yuan on its third reading.

16.—National Government accepted resignation of Liu Wen-lung, as Chairman of the Sinkiang Provincial Government, and appointed Li Yung, as his Duccessor.

17.—General Chiang Kai-shek flied to Langchow on an inspection tour, accompanied by Madame Chiang and GeneralChang Hsueh-liang.

17.—General Liu Wen-tao, Minister to Italy, promoted to the rank of ambassador.

17.—Chu Cheng, President of the Judicial Yuan, appointed concurrently Minister of Justice.

22.—General Chang Hsueh-liang returned to Hankow from Sian.

22.—General Liu Hsiang, Commander-in-Chief of the Szechuen Anti-Bandit Forces, formally resumed his office.

23.—Chu Cheng, new Minister of Justice, assumed office.

24.—General Chiang Kai-shek arrived at Peiping via Kaifeng and Tsinan.

25.—Resolutions passed by the C.E.C. to the effect that (1) the 5th Kuomintang National Congress be postponed and (2) the 5th Plenary Session of the C.E.C. be held on December 10.

25.—The spokesman of General Chiang Kai-shek's headquarters at Nanchang issued statement counteracting the statements made by General Tsai Ting-kai's in America with reference to the Sino-Japanese conflict at Shanghai in 1932.

26.—General Chiang Kai-shek underwent a physical examination at the Peiping Union Medical College.

26.—The 3rd Route Army captured Ningtu in Kiangsi from the Communist-bandits.

28.—The Communist-bandits in southern Kiangsi fled to Yutu and removed their capital to southwest of Juikin.

31.—General Chiang Kai-shek left the P.U.M.C. hospital which found him in perfect health.

NOVEMBER

1.—The East Route Army captured Changting, important Red stronghold in Fukien, from the Communists. For six years since 1929 that city had been in the hands of the Reds.

4.—General Chiang Kai-shek arrived at Kalgan on an inspection tour.

6.—Executive Yuan appointed Liu Wei-chih Political Vice-Minister, and Kuo Cheng-kan Administrative Vice-Minister, of Industries.

6.—General Chiang Kai-shek arrived at Kweisui, capital of Suriyuan.

7.—General Chiang Kai-shek received Princes Yung and Teh and spoke on the importance of national border defence.

8.—General Chiang Kai-shek arrived at Taiyuan by airplane from Suiyuan.

9.—Resolution passed by the Executive Yuan that the Provincial Government of Hopei be re-organized and that General Yu Hsueh-chung to retain his chairmanship.

10.—Juikin the so-called "Red Capital" captured by the Eastern Route Government Forces.

12.—General Chiang Kai-shek returned to Nanchang after inspection tour to more than ten rovinces in north and northwestern China.

13.—National Government appointed General Ho Yao-tsu, Vice-Chief of General Staff, as first Chinese Minister to Turkey.

13.—General Liu Hsiang, Szechuan Military Commander, left Chungking for Hankow en route to Nanking to confer with the Government on the communist situation and financial problems in Szechuan.

13.—General Chiang Kai-shek appointed General Ho Chien of Hunan as Commander-in-Chief of the Pursit Force to pursue the remnant Red marauders.

13.—Sze Liang-tsai, publisher of the *Shun Pao*, and prominent citizen in Shanghai, assassinated on the Shanghai-Hangchow Highway while travelling to Shanghai from Hangchow in his own motor car.

15.—Japanese Minister Akira Ariyoshi, left Peiping for the South after visit to Peiping, where he interviewed General Huang Fu for four times.

16.—Kweihua in Fukien captured by the Government troops from the Communists.

17.—Yuta in Kiangsi recovered by the Government troops.

20.—General Chiang Kai-shek and General Liu Hsiang arrived at Nanking on same day.

20.—Tan Cheng, Vice-President of the Jucial Yuan, arrived at Shanghai after an extensive trip in Europe and America where he investigated the judicial systems of the various countries.

22.—The period for the redemption of the Japanese loan to Nanchang-Kiukiang Railway amounting to $17,000,000 extended to two more years.

23.—Hweichang in Kiangsi captured by the Government troops.

24.—Chi Hung-chang, former subordinate of Marshal Feng Yu-hsiang, and Jen Ying-chi, formerly of the Shantung Army under Chang Chung-chang, court-martialled and and shot by the Peiping Military authorities on charge of being engaged in reactionary activities.

27.—The Communist Suppression Headquarters in Kiangsi, Kwangtung, Fukien, Hunan and Hupeh ordered to be abolished by the National Government.

27.—General Chiang Kai-shek and President Wang Ching-wei issued joint message to nation, urging clear demarcation of powers between Central and Local Governments and other administrative reforms.

28.—General Huang Mu-sung left Lhassa for Nanking by way of India.

29.—General Chiang Kai-shek in a press interview at Nanking resolved to uproot Communism in China.

DECEMBER

4.—Nanking appointed General Huang Fu concurrently Minister of Interior, and General Huang Shao-hsiung, Chairman of the Chekiang Provincial Government.

4.—Nanking ordered removal of Hopei provincial capital from Tientsin to Paoting.

10.—Fifth Plenary Session of the Central Executive Committee opened at Nanking; Wang Ching-wei presided.

10.—General Liu Hsiang, the Szechuen Military Commander, left Nanking for Szechuan after completing arrangements for political and financial reorganization of Szechuan province.

14.—National Economic Council fixed budget of 1934-35 at $12,000,000.

14.—4th Meeting of C. E. C. Plenary Session fixed November 12 as date for 5th Kuomintang National Congress.

15.—C. E. C. 5th Plenary Session Closed with manifesto appealing for peace and unity.

15.—General and Madame Chiang Kai-shek arrived at Fenghua from Nanking.

16.—Japanese airdrome at Pailitai, Tientsin, completed.

20.—Nanking Ordered reorganization of the Szechuan Provincial Government.

Miyagoshi Incident Settled

After prolonged negotiations between Ho Hsiao-i, district magistrate of Tsunhua, and the Japanese military at Tangshan, a sum of $5,000 has been paid by the Chinese as compensation for the accidental shooting of the late Miyagoshi, a Japanese merchant who was killed at Yutien. With this payment, the "incident" is regarded as "closed."

Removal of Hopei Capital Interrogated at Yuan Meeting

At the meeting of the Legislative Yuan Dec. 17, Liu Yu-hsun, a member of the Yuan, made an interrogation regarding the reasons for the decision of the Executive Yuan to order the removal of the Hopei Provincial Capital from Tientsin to Paoting and proposed that the Legislative Yuan should take a stand toward the question. Mr. Liu inquired whether the Executive Yuan in orderring the removal was in any way influenced by diplomatic considerations. He further inquired what would likely happen to Hopei after the removal of the provincial capital? Sun Fo, President of the Yuan, in answering the interrogation, stated that the matter, being purely an administrative measure, did not in his opinion call for any consideration by the Legislative Yuan. The interrogation was then dropped.

The appropriation for the new Peiping Cultural Readjustment Committee have been fixed at $3,090,000. Two-thirds will be provided by the Central Government and the balance rraised by the Peiping Municipal Government. The quota of the Central Government will be remitted by the Minstiries of Finance and Railways in monthly instalments.

General Ho Ying-chin Returning to Peiping

General Ho Yin-ching, Minister of War and concurrently Chairman of the Peiping Branch Military Affairs Commission, is scheduled to return to Peiping after the New Year holidays according to information from official quarters. General Ho has been absent from Peiping for nearly two months since he left there early in October. It is understood that General Ho will proceed North by way of Shantung, where he will stop to inspect the various forts along the coast.

Dr. Hu Shih Going to South China

Dr. Hu Shih, Dean of the College of Liberal Arts of the National University of Peking, is leaving Peiping on December 29 for his first visit to South China. He is expected to arrive in Hongkong on January 4. On January 7, the University of Hongkong will confer an honorary degree on him and he will deliver a lecture there.

Peiping is experiencing a shortage of silver and the financial market is showing signs of uneasiness. It is stated that the nationals of a "certain country" are sending large quantities of silver dollars to Dairen and the native bankers have asked the government to take immediate action to check tthe outflow.

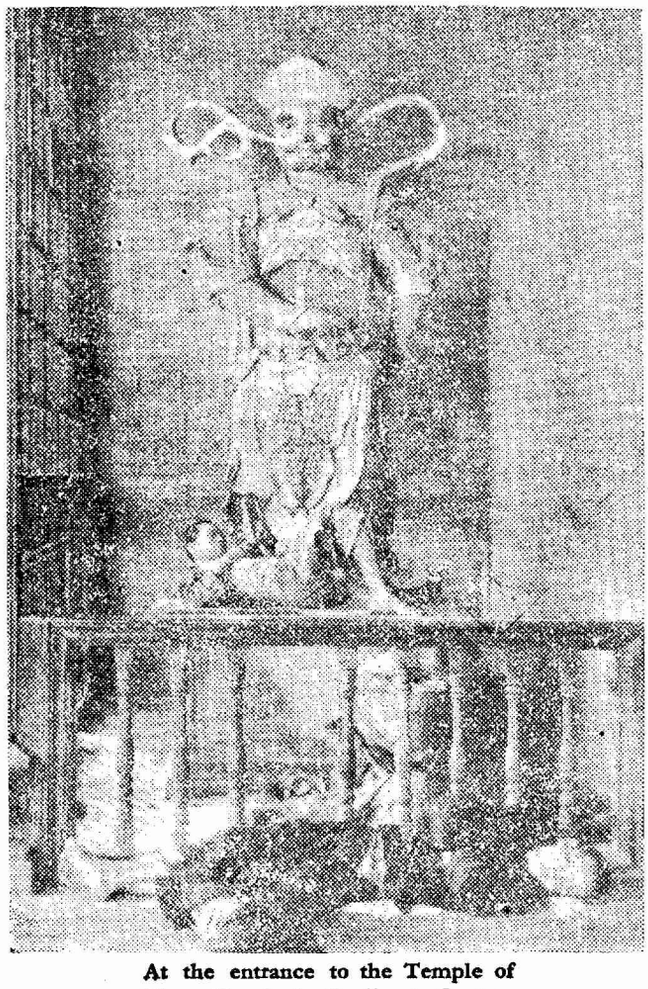
A rich deposit of gold ore has been discover in Yuwang Shan, a mounttain north of the district of Tsunhua, northeastern Hopei. Li Ping-nan, the discover, has petitioned for a permit from the Hopei Provincial Department of Reconstruction to begin mining operations.

Canton Undergoes Beauty Treatment*

CANTON, ancient southern metropolis, has been undergoing long-needed beauty treatments, and from it a new Canton is emerging. Little more than a decade ago Canton presented much the same appearance as when the clipper ships were lading the cargoes from its musty godowns. It was Chinese—deliberately, stubbornly Chinese.

To-day old suspicions have been minimized. The Bund, formerly a muddy track lined with rat-trap buildings, is now a wide, well-paved thoroughfare fronted with modern eight- and nine-story hotels, department stores, commercial houses, and an up-to-date Customh use. Narrow streets and alleys, accessible only to the traffic of wheel-barrows and sedan chairs, have given way to wide streets to such an extent that tour conductors find difficulty in playing up the "tortuous channels" of old Canton.

The visitor who a few years ago wrote that "you have to choose your place to knock the ashes off your cigar, or they will alight in a dish of soy or dried duck, on the one hand, or a pile of wonderfully wrought silk embroidery on the other," could now whisk through 60 miles of wide, paved streets in one of the thousand or more



At the entrance to the Temple of Five Hundred Genil at Canton.

motorcars that honk their way through the city. Thousands of buildings were razed and much of the old wall demolished to provide for these modern arteries of bustling Canton. The great fire of 1927 also assisted in clearing ground for these sweeping changes.

Here is where Sun Yat Sen found followers for his three principles of Kuomintang. By popular subscription, a modern monument and Memorial Auditorium, in which new political ideas are born and talked into vigorous activity, has been built as one of Canton's forms of recognition of the late leader.

Two new bridges are being constructed across the Chu Kiang (Pearl River), linking Canton city with Honam Island. I also found some of the old temples converted into schoolrooms and the Cantonese boys and girls enjoying tennis, handball, and basket ball on courts laid out in the ancient enclosures.

Snake Meat—Served in Broth

All of the old, however, has not disappeared. In narrow lanes I found secluded restaurants selling snake meat, served in broth. Elsewhere men and boys worked elaborate embroidery patterns on silk in half-lighted rooms. Near by a boy was weaving magic colors in shimmering silk on a crude loom, his dingy cubicle illuminated for night work by a single smoky oil flame.

In other alleys I watched laborers cut and polish jade rings and bracelets on primitive foot-treadle machines and marveled at the skill with which they shaped the resistive stone. Here is the center of the jade workmanship that has attained worldwide renown.

There also is ivory. "This piece took three months to carve," explained an ivory manufacturer, handing me one of those delicately wrought balls of ivory which had ten concentric lacelike balls, each moving freely within the next larger one.

"How do you do it?" I asked. He showed me another being carved. With no pattern and using only tiny, hand-made tools, a craftsman was drilling here, reaming there, and engraving the surfaces, as he cut the spherical piece of tusk into the several balls.

As when early shipments of porcelain and pottery were taken to Europe and America, there to acquire the name of "Chinaware," so potters still sit at their wheels and continue to keep their kilns fired, although not on the scale of former years. Canton exports about 40 per cent of the three million dollars' worth of pottery that annually goes into world markets from China.

Thousands Still Live on Boats

Another feature of Canton that has changed little through the years is the teeming boat life of the Pearl River and interlinking system of canals. Big boats, little boats, gay boats, and tawdry boats—Canton has them all. Here is a city in itself, with a population estimated between 100,000 and 200,000 people. Formerly there were many more, but a destructive storm a few years ago capsized and demolished many of the crafts.

Tiny sampans serve as "taxis" through this aquatic city. House wives, cooking on small charcoal braziers on the stern decks of their floating homes, need only lean over the gunwales to do their daily shopping. Venders of vegetables, foodstuffs, cooking utensils, and other household necessities paddle alongside to supply every need.

On many of the boats I saw chickens and babies tied by leashes sufficiently long to give them the freedom of the deck, but preventing them from falling overboard. Here and there a small flower box bravely flaunted its foliage and color.

Gaudy teahouses and funeral barges are also a part of this unusual panorama of boats. In fact, there are few phases of land life in Canton that do not have their duplicates afloat.

Many of the lighters and trading junks still carry old swivel cannons on their decks or have painted circles to represent gun muzzles on dummy portholes as a protection against the river pirates In midstream, however, lay several gunboats and destroyers, flying Chinese and foreign flags, which have a much more deterrent effect on piratical activities.

Consulates and other foreign interests are largely centered on Shameen, a 44-acre concession which was developed on a former sand bank a few years after Canton was formally opened by treaty, following the so-called Opium War of 1840-42. Previously, traders were limited to small "factories" on the Bund and did business with Canton through *hongs*, or special Chinese merchant groups.

Great Britain governs slightly more than two-thirds of the small island and France the other portion.

Serving as clearing house for the wealthy provinces of Kwangtung and Kwangsi, Canton bustles with industry.

One third of its exports, principally raw and waste silk, is utilized by the United States.

Many New Roads

During recent years rich Kwangtung Province has built several thousand miles of road connecting many of its interior cities; one is now being extended to Swatow, 220 miles distant as the crow flies. In other provinces as well, road construction holds high importance in the activities of the National Economic Council. In rural areas motorbusses have made issue with the centuries-old wheelbarrows and slow-moving canal boats.

Again, too, after a delay of 16 years, work is progressing rapidly toward the completion of the Canton-Hankow Railway. Begun by American engineers in 1903, it later suffered from international and local setbacks and, since 1917, has remained with a gap of some 280 miles between Shiuchow and Changsha.

With capital recently released from the British Boxer Indemnity Fund, it is hoped that within two years the task will be pushed to a successful completion, thus supplying the final link to the world's longest ribbon of steel—9,000 miles. Hong Kong or Canton to Berlin and Paris via Siberia in 16 days is in pleasant prospect!

*Extracts from an article by W. Robert Moore in the *National Georgraphice Magazine*, November, 1934.

★

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Chinese Film Company Asks Subsidy from Boxer Funds

China Education Motion Picture Association has submitted a petition to the Board of Trustees for the British Boxer Fund for the appropriation of $25,000 as subsidies for the development of educational motion picture enterprise.

The amount asked for will be mostly spent on production of motion pictures on the industrial schemes of Dr. Sun, the latest progress of national reconstruction, agricultural improvement, public health and sanitation and other educational and cultural subject matters.

China Foreign Trade Shows Large Adverse Balance

China foreign trade during the first 11 months of the year resulted in an unfavorable balance of $465,996,71, according to the November monthly returns published last week by the Chinese Maritimo Customs.

The net imports and exports during the period amounted to $1,449,265,251 as compared with $1,815,271,898 during the same period of 1933. Net imports during the period were valued at $957,630,961, while net exports were valued at $491,634,290.

During the month of November, the monthly returns revealed, an adverse balance of $33,748,492 was recorded as compared with $36,359,897 for October. The total volume of trade during the month increased from $121,659,965 $133,285,372 in November. Imports during the month were valued at $83,516,932 while exports were $49,768,440.

Kwangtung Finance Commissioner Visits Shanghai

In Canton there is much speculation over the mission of Ou Fong-pu, Kwangtung Provincial Finance Commissioner, who is visiting Shanghai and Nanking on currency questions.

American Economic Mission Coming to China

An American Economic Mission to China, comprising from 15 to 25 of the nation's leading foreign traders and foreign trade experts, will leave New York for Shanghai early in 1935 and will remain in China for at least three months compiling data for a report with recommendations on ways and means of increasing Sino-American trade.

The undertaking is being accomplished through the cooperation of the Chinese-American Trade Council of Shanghai, which was organized on September 15, 1934 to cooperate with the corresponding group in the United States for the development of Sino-American trade.

Chairman of the organization is Chang Kai-ngau, president the China Foreign Trade Association and Managing Dirccter of the Bank of China. The Vice-Chairman is C. H. French, Vice President and Treasurer of Andersen, Meyer and Company, Shanghai.

Other American members in China are: Messrs. P. S. Hopkins, President of the Shanghai Power Company; A. A. Schumacher, Vice-President and Manager of the Chase National Bank; R. J. Corbett, Assistant General Manager of the Standard-Vacuum Oil Company; and P. H. Bordwell, Assistant General Manager of the Dollar Lines. The honorary American member is Julean Arnold, American Commercial Attache in China.

Chinese members of the Council in China are: Messrs. Lin Kang-hoo, General Secretary of the Bankers Association and Associated Chambers of Commerce, Shanghai; K. P. Chen, Managing Director, of the Shanghai Commercial and Savings Bank; Yui Tso-tsing, President of the Chinese Chamber of Commerce; P. W. Kuo, Managing Director of the Shanghai Trust Company, Chen Tso-tsing, Manager of the Salt Bank. The honorary Chinese member is P. Y. Ho, Director of the Foreign Trade Bureau, Ministry of Industries. The Secretary-Treasurer of the organization in Shanghai is Francis K. Pan, of the Foreign Trade Association of China.

"Confucian Cosmopolitanism---A Key to World Peace"

BY PAUL K. WHANG (汪仲芳)

AT the time when war clouds are gathering thick over many parts of the world, any peace plan, no matter how theoretical it may sound, deserves our notice. The fast World War brought into existence the League of Nations, which was primarily designed as a machinery to preserve the world peace. But the League as a peace machinery has failed to live up to its expectation, and the world peace at the present time is just as insecure as in the pre-war days. Therefore it is only natural that peace-loving people should rake their brain to seek ways and means whereby the world can be saved from another conflagration. During the past few years, numerous peace plans have been advanced, ranging from international disarmament down to the creation of an international "United States" as recently advocated by Authur Henderson, chairman of the Disarmament Conference and latest winner of the Nobel Peace Prize. But the world is still in want of a workable peace formula, which can be applied to the present circumstances.

No Ordinary Figure

As China is a peace-loving country, so her people have also shown a great concern over the world peace. Though it seems to be a paradox that while we can not maintain the domestic peace, we should bother ourselves about the world peace, yet some of our people are just as anxious as the people of other countries to contribute their part to making this world safe for us to live in. Therefore it is nothing strange that Tuan Chen Yuen should come down to Shanghai to "elucidate the Cosmopolitanism taught by Confucius" and lead a World Peace Prayer Conference "in the hope that this will revolutionize the hearts of the people and implant in them benevolence to take the place of hatred, thereby dispelling an atmosphere of war scare and ushering in an era of peace."

According to a lengthy manifesto under the heading of "Confucian Cosmopolitanism—A Key to World Peace," which was signed by many notables of the local community and advertised in the local English dailies, the said Mr. Tuan appears to be no ordinary figure. He is said to be "an exponent of Confucianism with sterling character and excellent standard of morality," and to have a considerable following "during his preaching of the Confucian doctrine for scores of years." His disciples as stated in the manifesto, have given him an honorable title of Tuanfucius or the Sage Tuan (fucius is a Chinese pronounciation of a teacher just as in the case of Confucius). The manifesto concludes, "Foreigners as well as Chinese interested in Tuanfucius' teachings and his plan for the promotion of world peace through prayer are invited to write or call at headquarters of the World Peace Prayer Conference (862 Boone Road, Shanghai) where students of the great teacher will be pleased to answer questions."

Up to his present visit, we must profess our ignorance of the living of such a great teacher in China. It sound rather unbelievable that a scholar with such an honorable title and such a large following should be little known to the people of this part of the country. Our ignorance has made us all the more eager to know more about of his past life and activities. The following are a few of the highlights of history as appeared in the local English dailies:

"He was born in Szechuen in 1863. While yet a young lad he was called Shun Tung, the Chinese equivalent of Christ. At the age of 15 when he was in search of medical aid for his sick mother, he encountered Loong Yuen Tso, who was looked upon by men of the time for his spiritual discernment. Loong Yuen Tso told him of the doctrines of Confucius which if practised and preached would bring about peace and prove the salvation of the whole world. When he was 17 he went to Ngo Mei Shan, the highest mountain range in Szechuen, where he remained in meditation for two years. During this period, he received spiritual guidance. For more than thirty years he remained in Szechuan preaching the doctrines of Confucius and organize a following which today numbers many thousands of persons of all nationalities. During the first year of the Republic of China, he went to Peiping where he organized a society and where he has maintained a residence ever since. It is claimed that many foreign residents of Peiping are numbered among his disciples."

We have no way to verify all these interesting facts as stated above. Suffice it to say that he appeals to us more like a religious leader than a follower of Confucius. The claim that he was known as a Christ in boyhood and received spiritual guidance in Ngo Mei Shan has made this interesring figure all the more interesting to us. The old tradition that Ngo Mei shan, China's Mount Olympus, is the abode of Gods, where adventuous youths can go and seek spiritual discernment is still potent among the people of the present generations. Therefore that claim alone would be sufficient to inspire our awe and veneration toward him. Nowadays, the people elsewhere are looking for a second Christ to deliver them from their present miseries, and so it is quite understandable that the notables of the local community should flock to his side and pledge their support to his mission.

To promote the world peace through prayer is nothing new to us, as it has been frequently practised by the Christians and Buddhists, but that the self-acknowledged follower of Confucius should also promote the peace through prayer is indeed a novel idea. Confucius himself was not a religious leader, but a great philosopher; and therefore any attempt to preach his teaching on the basis of religion does not appeal to us as the right was of doing the things. In saying so, we have no mind whatsoever to cast any slur upon the good name of this Tuanfucius, and on the contrary, have every sympathy with his endeavor and, as a matter of fact, with any endeavor intending to promote the world peace. While we can not follow the notables of the local community to give him any financial support, we are ready to give to his mission every ounce of our moral support. At the time when the fighting has been going on for a long time in South America and an atmosphere of war scare is prevailing in Central Europe and Asia, we naturally welcome every peace movement which is said to be able to "nip the outbreak in the bud."

A Difficult Doctrine to Put Into Practice

Cosmopolitanism advocated by Confucius is undoubtedly one of the means to bring about the reign of peace, but the difficulty lies in the fact that how this doctrine can be put into practice. For years the Cosmopolitan movement has been pushed in the United States, and in the big universities, Cosmopolitan Clubs have been organized for practising the principle of Cosmopolitanism. While I was a student in the University of Illinois, I had the privilege of joining the Cosmopolitan Club in New York for one year. My experience has taught me that even among a limited number of students it is difficult to practise the principle of Cosmopolitanism. The spirit of Cosmopolitanism can not flourish in a world which has been swept over by nationalistic feeling and racial prejudice.

The doctrine of universal brotherhood has been long preached by the Christians and Buddhists. But have we received its good results? Central Europe, where Christianity has been embraced by the majority of the people, is now looked upon as the tinderbox of the next world war, while Japan, one of the few countries where Buddhism has been worshipped has been considered as the most imperialistic country of the world. Can any new attempt to preach the age-old doctrine be more successful to "revolutionize the hearts of the people" than what has already been done by the Christians and Buddhists?

Tuanfucius may have a very noble idea, but unless he is indeed the incarnation of the second Christ, his preachings can not be expected to be heartily received by the people. One naturally wonders that if he has had such a big influence, why does he not devote his time and energy to the promotion of domestic peace? Szechuen, the native province of Tuanfucius, has been noted as the hotbed of civil wars. He is said to have a considerable following in that war-torn province, and therefore it will be quite easy for him to lead a successful peace movement there. His success at home will certainly lend great weight to his more ambitious program of promoting the world peace.

During the past few years, there was a movement to outlaw civil wars, and an Anti-Civil-War Association was especially organized for the purpose. But for some reasons or other, nothing has been heard of this movement in recent months. In view of political uncertainties of this country, we deem that it is advisable to revive the public interest in this movement. Therefore if Tuanfucius is truly a great lover of peace, he can do a great service for his fellow countrymen by leading a movement to promote the domestic peace. We are sure that his leadership will be greatly welcomed everywhere in China.

Nevertheless, we wish nothing but success to Tuanfucius for his present mission, and hope that by the end of the next year, his success will be so great that he will be rewarded with the 1935 Nobel Peace Prize.

THE LEIPZIG SPRING FAIR 1935

COMMENCING 3rd MARCH, 1935

SAMPLE FAIR	From 3rd to 9th March (12 a.m.)
Textile Fair	From 3rd to 6th March
Fair of Office Requisites	From 3rd to 7th March
Empire Furniture Fair	
Special Fair of Photographical Optical, Cinematographical Articles	
Sports Articles Fair	
GREAT TECHNICAL FAIR AND BUILDING FAIR	From 3rd to 10th March
"Bugra" Machine Fair	From 3rd to 9th March (12 a.m.)

For particulars please apply to the Hon. Shanghai Representative,

133 Yuen Ming Yuen Road, 4th Floor, Room No. 425, Telephone 18567

MARSHAL CHANG HSUEH-LIANG'S NEW AIRPLANE—A FEW DETAILS

The illustration herewith shows the type of Boeing commercial transport plane recently delivered to Marshal Chang Hsueh-liang. The actual photo is that of a Boeing 247-D passenger-cargo plane used by the United Airlines in a coast-to-coast service in the United States. It develops a speed of more than 200 miles an hour. The Boeing Airplane Company has a large plant at Seattle, Washington.

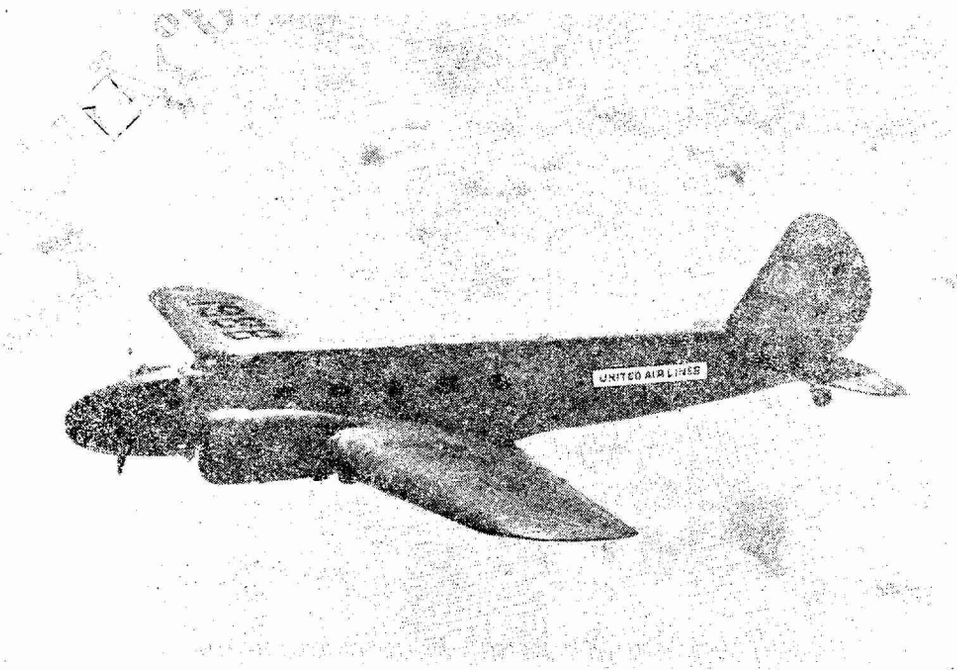
The Boeing 247-D is an all-metal, low-wing monoplane, equipped with two 550 horsepower superchanged Pratt & Whitney geared Wasp engines, and embodies the maximum factors of performance; strength and passenger comfort.

With a gross weight of 13,650 pounds, the transport has an initial rate of climb from sea level of 1000 feet a minute, attaining an altitude of 10,000 feet in less than 12 minutes.

Illustrating the speedy schedule now provided by these Boeing planes, passengers leaving New York after the dinner hour one day are delivered on the Pacific Coast the next morning in time for breakfast. Flying eastward, they may leave the Pacific Coast one night and be in New York the next noon. Travel time from San Francisco to Chicago is just 10 hours; from Chicago to New York, four hours.

Notable features of the Boeing 247-D include its sturdy all-metal construction, its clean streamlining and retractable landing gear to minimize parasitic drag, its maintenance and servicing features and its advanced facilities for air travel comfort.

The nacelles holding the two Wasp engines are bolted to the wing structure. Boeing ring cowls and three-bladed Hamilton Standard controllable pitch propellers are used.



Throughout, the transport is of sturdy construction, of the semi-monocoque type. Duralumin bulkheads, longerons, skin stiffeners and skin covering make up the fuselage. The 74-feet cantilever type wing consists of spar trusses of square and rectangular aluminum alloy tubing, ribs, and smooth metal skin. It is in five sections—center, two outboard panels, bolted to the wing stubs outboard of the engine nacelles, and wing tips. The trailing edge of the wing, leading edge of the wing stubs, wing tips and tail cone are removable, to facilitate inspection and repair. Tail surfaces are of the cantilever type, with front and rear spars braced with ribs, all of channel section, and smooth metal skin covering.

Chiang Kai-shek Is Criticized by Foremost Japanese Authorities on Chinese Affairs

BY THE REVIEW'S TOKYO CORRESPONDENT

(Translations from various Japanese publications)

OVERSHADOWED by the London Preliminary Disarmament Conference, the reorganization of the Japanese administration system in Manchukuo and various domestic politics chiefly centring around budgetary estimates for next year, affairs in China have for these few months been relegated to a backward place, at least in so far as the popular information organs for the general public are concerned. The only picture drawn in the minds of the interested Japanese was perhaps that of the possible product of the Fifth General Meeting.

The step taken by Gen. Chiang-Kai-shek in abruptly postponing the meeting, however, having betrayed the general expectation of the people, the spell of this apparent tranquility has been broken. This event, coupled with the prospects for the future course to be taken by Chiang Kai-shek, has contributed toward shifting the public attention to a certain extent toward affairs in China, especially toward the mentality of the general. Naturally, a few publications of note took up the question in their December number. As a matter of course the views expressed in periodicals other than newspapers are more outspoken than those in dailies.

Here are gathered passages on Gen. Chiang Kai-shek selected from among various writings by the foremost authorities on Chinese affairs, namely: Mr. Ohnishi, adviser of the Tokyo *Asahi;* Lieut.-Col. Kuwahara of the Naval General Staff; Mr. Nakayaka of the Intelligence Bureau of the Foreign Office; Mr. Murata, Director of the Zenrin Kyokai; Mr. B. Yoshioka, Chief of the Far Eastern Dept. of the Tokyo *Nichi Nichi.*

Gen. Chiang Will Never Grow anti-Japanese

K. Hatano—Diamond, December 11: Leaders in China are generally skilled in the art of speech and of demonstration. Among them Gen. Chiang Kai-shek is known as the only leader of comparatively few words. This does not mean however that he is a poor speaker—once he opens his mouth he does not disappoint the listeners. He does not shoot an arrow where there is no target, while he takes care not to make a slip of the tongue, although on the questions of his favorite task of the subjugation of communist army and the new life movement the general shows some fervor, being sagacious enough to be aware of his ability in performing these affairs . . . . .

Especially on affairs concerning diplomacy he exercises utmost discretion so that he may not be caught in his words. For three years since the outbreak of the Manchurian question he has wisely escaped being caught in his words. In this connection it is to be said a journalistic success that the *Osaka Mainichi* Shanghai correspondent, Mr. Tachibana, succeeded in making this General of few words open his mouth on Sino-Japanese relations (Nov. 29, evening edition) . . . . That, at the close of this interview, the General made the contents of the conversation public through the Chinese press indicates that he is wide-awake.

Although nothing concrete was told by the General at the interview and we have nothing concrete to grasp in it, yet a careful survey of the actual situation within the country will let us fathom the depth of his mentality toward Japan. What we should know is first of all the fact that the General's communist subjugation has become somewhat hopeful . . . .

What the general is most afraid of, at this time when unification is almost in sight, is that there may happen an incident which destroys the existing condition. That the Sinan Faction may rise in arms against him does not constitute so powerful a menace, because he is confident of his power to conquer upon it. The weak-point he is most concerned about at present is north China, where international trouble is liable to happen. In the event of an international change occurring in this part of China, it is China herself that receives damage, and this the General knows best of all. It is as clear as day that in such an eventualty the unification of China would become hopeless. He is also aware that it is possible that a part of North China may collapse in accordance with China's attitude toward Japan, and naturally he is to be expected not to assume an anti-Japanese attitude. So long as he plans and endeavors to bring about the unification, how could he dare to invite obstacles on the way to this great task of unification? The same can be said of his attitude after the unification work has been completed. It is from these reasonings that I predict that the General will nott ake an anti-Japanese attitude, though not going as far as showing a pro-Japanese attitude.

(The following views on Gen. Chiang Kai-shek are cited from the conversations among the abovementioned five authorities on China made at a Chinese restaurant called Totaotei, Tokyo-Sekai Chishiki, December issue).

Anti and pro-Chiang Factions

Kuwahara: It appears to me all but Gen. Chiang are anti-Chiangites; except his right-hand men there are even in the Nanking government circle quite a number of anti-Chiangites. Some are even ready to succeed the general in case of his resignation . . .

Ohnishi: It seems that the supporters of Chiang Kai-shek will insist on mounting him upon the chair for the first President of the Republic, with the unmistakable sentiment that none but the general suits the important position, but it is problematical whether Chiang Kai-shek himself will be equally enthusiastic . . . .

Kuwahara: Probably the general will not grant their request; he is such a sagacious man.

Yoshioka: I am of the same opinion.

Ohnishi: Of course there may be possibility of his climbing up the Presidential chair if he so desires, but he will probably show no interest in it . . . .

Yoshioka: No provision of the Constitution or the law can restrain Gen. Chiang; his autocracy is immovable. He is indeed a perfect autocrat.

What Has He in His Mind?

Murata: In reality the general is practising autocratic politics, but, what is your opinion as to his wishes of becoming the President, Mr. Yoshioka?

Yoshioka: It is unlikely that he will attempt occupying the position at a risk although people surrounding him are eager to mount him on the Presidential chair.

Ohnishi: I am of a similar opinion . . . . Compared with Yuan Shi-kai he is still young, and besides he has now actual power. Knowing that he will eventually arrive at the highest position, he will refrain from starting any enterprise that might increase the number of enemies. He will show no interest to the encouragement of his subordinates . . . .

Yoshioka: While in Nanking I felt his program is "sharper edged" and firmer established than that of Hitler or Mussolini. It is most improbable that he would attempt at recklessly regalizing this at the risk of losing popularity.

Kuwahara: Although probably he plans at heart to sit at the head, he will not be in a hurry; instead of occupying himself the Presidential chair, he will offer it to some one else, he himself assuming the autocratic reins.

Murata: That is how Yuan Shi-kai and Chang Tso-lin rose in power.

Yoshioka: Chiang Kai-shek's present greatness has been moulded through such a course.

Kuwahara: He is wiser than Yuan Shi-kai. Therefore, there is no use for him to sit on such a brilliant chair at this moment; he is already an actual autocrat.

Yoshioka: The report of the openng of the Fifth General Meeting gives the Japanese a sentiment of his becoming an autocrat, but he is the autocrat at present. An impression that something is lacking in his autocracy comes from the fact that the political system lacks policies toward the political, economic and other structures which are at the back of this political system. As an autocrat he conveys an impression that he falls behind Hitler or Mussolini.

Does he Really Mean To Subjugate Communists?

Yoshioka. I wonder whether Gen. Chiang really means to subjugate the communist army, or, whether his communist subjugation is a trick. It seems he has expended nearly half of the subjugation fund raised from among Chekiang financial magnates for the purpose of strengthening his own army. If he had done his utmost he must have succeeded earlier. Probably he takes into careful account what may follow the completion of the subjugation.

Gen. Chiang's Attitude Toward Japan

Yoshioka: Chiang Kai-shek is neither pro-Japanese nor anti-Japanese. No doubt he has an anti-Japanese sentiment and considers it necessary to do something with Japan, but it is, in my idea, absolutely impossible for the general to decide on selecting one of the two courses. What governs his policy toward Japan is the idea that since further pressure from Japan must be ruinous to China, some precautionary measures must be established. It is with the object of softening the front against Japan that he used the service of Wang Chao-ming and Huang Fu. On the other hand however the general has recognized the activities of anti-Japanese factions within the country for political reasons at home. He is, as it were, a rider on two horses; whenever the pressure from Japan grew weaker he would place importance in the influence of anti-Japanese groups, and when the pressure increased he would shift the importance to the other side.

Kuwahara: I wonder whether there is in China a pro-Japanese faction. After the Manchurian incident no Chinese could have retained his pro-Japanese sentiment . . . . There may be anti-Japanese factions, but they are groups which act from desperation, making a fuss where there is no responsibility they have to shoulder. And where there is responsibility waiting for their fulfilment, they would be converted into "Japanophobia groups."

PEIPING-LIAONING RAILWAY

ABRIDGED TIME TABLE

1st July, 1934 and until further notice.

Down Trains										Up Trains							
41 Slow D 1 2 3	301 Ex. S D 1 2 3	1 Ex. S D 1 2 3	305 Ex. S D 1 2 3	23 Fast D 1 2 3	5 Ex. D 1 2 3	21 Ex. S D 1 2 3	3* Ex. S D 1 2 3	MAIN LINE STATIONS		302 Ex. S D 1 2 3	22* Fast D 1 2 3	42 Slow D 1 2 3	4 Ex. S D 1 2 3	24 Fast D 1 2 3	2 Ex. S D 1 2 3	306 Ex. S D 1 2 3	6 Ex. D 1 2 3
5.45	15.05	8.45	18.50	13.15	16.30	20.15	10.55	dep.	Peiping - - - arr.	10.24	11.29	17.55	18.42	23.17	9.18	8.19	11.50
6.20	15.36	9.13	19.20	13.46	—	20.48	11.24	,,	Fengtai - - - - dep.	9.54	10.55	17.21	18.15	22.48	8.47	7.49	—
7.45	16.40	10.21	20.26	15.01	—	22.08	--	,,	Langfang - - - ,,	8.50	9.26	15.43	—	21.34	7.45	6.43	—
9.16	17.50	11.28	21.39	16.30	19.07	23.38	13.32	,,	Tientsin Central ,,	7.40	8.03	14.14	16.05	20.11	6.39	5.30	9.15
9.25	17.59	11.36	21.48	16.39	19.15	23.47	13.40	arr.	Tientsin East - dep.	7.30	7.50	14.00	15.55	20.00	6.30	5.20	9.05
9.35	18.20	11.50	22.20	16.55	—	24.00	13.50	dep.	,, ,, arr.	7.05	7.36	13.46	15.40	19.50	6.15	4.50	
10.38		12.47		18.03	Stop	1.10	14.47	,,	Tang-ku - - - dep.		6.31	12.46	14.45	18.51	5.11		
11.46		13.45		19.08		2.18	15.40	,,	Lu-tai - - - - ,,		5.26	11.41	13.48	17.43	4.08		
12.52		14.42		20.11		3.32	16.39	,,	Tang-shan - - ,,		4.15	10.30	12.50	16.37	2.58		
13.39	FOR SHANGHAI	15.17	FOR PUKOW	20.47		4.20	17.14	,,	Ku-yeh - - - ,,	FROM SHANGHAI	3.30	9.44	12.18	16.05	2.16	FROM PUKOW	
14.29		15.49		21.21		5.12	17.46	,,	Lanhsien - - - ,,		2.32	8.45	11.39	15.22	1.18		
15.32		16.31		22.11		6.18	18.28	,,	Chang-li- - - ,,		1.29	7.40	10.58	14.37	0.19		
16.16		17.04		22.46		7.07	19.01	,,	Pei-tai-ho - - - ,,		0.39	6.54	10.27	14.00	23.31		
16.43		17.23		23.08		7.33	19.20	,,	Chin-wang-tao - ,,		0.01	6.25	10.04	13.35	22.59		
17.05		17.40		23.26		7.55	19.37	arr.	Shan-hai-kwan - ,,		23.30	6.00	9.45	13.15	22.30		
		18.40						dep.	,, arr.						21.26		
		16.25						arr.	Shenyang (Mukden) dep.						10.15		

S. D.—Sleeping and Dining Cars. D. Dining Car.

Refund of Fares:— Passengers must get Station Master to endorse ticket in connection with which they intend to claim refund.

No. 3 and 22* Temporary suspended.

Tientsin, 1st July, 1934. **BY ORDER.**

Gen. Chiang's North China Policy Will Succeed

Hatano (*Chuo Koron, December*): What the general aims at in northern China is no doubt the reinforcement of Huang Fu's political authority, but it is also a doubtless fact that he places rather more importance upon creation of friendly relations between himself and the two generals, one at Shantung and the other at Shansi. As fortunately these two generals, being immersed in looking after the welfare of themselves, appear not inclined to join the Sinan side to take up arms against Chiang Kai-shek, it may safely be said that the North China measures of the general will be successful this time . . . . What counter-measure would the anti-Chiangites, who have have been carefully watching his recent stunts, take upon the general's triumphant return to Nanchang from the north?

True Cause of His Putting Off The Meeting

Ohnishi (*Gaiko Jiho, November* 15): What caused the Nanking Government to postpone the opening of the Fifth General Meeting? That Gen. Chiang Kai-shek himself, being busily occupied subjugating communist army, is unable to find time to attend the conference and that military leaders under him, also busy with the expedition, telegraphically sought the postponement of the meeting, appears to be regarded as the reasons for Chiang's deciding on the postponement of the meeting. But all such reasons connected with the communist subjugation are but nominal. The true reason is traced entirely to the strong opposition from the Sinan Faction.

American Decision to Avoid "Provocative" Statements, Pleases Japanese

According to the *United Press*, the intentions of the United States Government to avoid "provocative" statements on international affairs, particularly in regard to the recent naval parleys, will be warmly welcomed in Japan, according to a statement by a Foreign Office spokesman. To reports that the American administration is opposed to such provocative statements, the spokesman said that he hoped the policy would be made effective. Recent "challenging" declarations in the United States regarding strengthening of the navy and increasing fortifications in the Pacific have tended to excite the Japanese people, the spokesman asserted.

"We believe that everybody should be very discreet," were the words of the Foreign Office representative in referring to the situation following the close of the preliminary naval conversations at London. The spokesman, addressing press representatives here, said that the utterances of an unnamed American at London on Dec. 20 also may be considered "very plain and abrupt."

Domiciliary Visits to Be Made in Anti-Opium Campaign at Nanking

The campaign against opium-smoking in Nanking is being relentlessly pursued. The committee for the uprooting of the evil, has decided to authorize the local gendarmes and police to carry out domiciliary searches at any time if they suspect that opium is smoked in the premises of any house in Nanking. Addicts are urged to surrender themselves to the authorities, in which case they will be exempt from punishment and will be treated at the municipal clinic. Those failing to give themselves up will be punished according to law when arrested by the Police.

Hearst Forecasts Japan's Seizure of Philippine Islands

William R. Hearst in a personally signed editorial Dec. 16 sharply criticised Congress for abandoning the Philippines, and predicted that Japan would occupy the Islands as soon as such a move was opportune. In that event the United States would protest without result, the editorial said. Mr. Hearst contended that occupation of the Philippines would increase Japan's manpower and sea-power and result in menace to the United States. "Next year the Philippines will be 24 hours from the California coast by Japanese airplanes," Mr. Hearst said. He added that only decadent nations contract, while vigorous nations expand.

Japanese Create Land Problem in Philippines

The land situation in the province of Davao, Mindanao, in which Japanese settlers figure prominently, has been made the subject of a thorough investigation by a special committee on public lands of the insular Legislature. There are estimated to be nearly 20,000 Japanese in Davao. They cultivate 34,000 hectares of land, of which 8,000 is public land. The Japanese control the majority of business in the province. The chief industry is the raising of abaca, a fibre known in trade as Manila hemp. Philippine law imposes restrictions on the acquisition of land by aliens, which are alleged to have been violated by various subterfuges.

Hu and Suzuki Discuss Sino-Japanese Relations

BY C. Y. W. MENG (孟 昭 泳)

GENERAL SUZUKI, a high Japanese military official, was sent to China some time ago, apparently, in connection with the important mission of propaganda and investigation work in order to ascertain the Chinese official opinion regarding the Sino-Japanese relations on the one hand, and to convince the Chinese officials of the advisability of forming the so-called "Sino-Japanese Economic 'Joining Hands'" on the other. He travelled in China extensively, and had every opportunity of meeting the Chinese officials and leaders. He also visited the South, and had interviews with some leaders. He had a two-hour conversation with Hu Han-min, a veteran member of the Kuomintang, former president of the Legislative Yuan, and now in retirement in Hongkong.

First Met Hu Han-ming in 1916

General Suzuki first met Mr. Hu in 1916 when the latter was appointed by Dr. Sun Yat-sen to carry on the "Anti-Yuan Shih-kai Movement" in Shanghai. At that time, General Suzuki was only a bodyguard of the Japanese military attaches (stationed in China) in Shanghai. So, when General Suzuki met Mr. Hu this time in Hongkong, he treated himself as much lower in rank. The first word which General Suzuki spoke was "long time we have not been each other."

"Don't be too courteous," Mr. Hu replied immediately. "The only thing is that when we met in Shanghai, it was during our Anti-Yuan Shih-kai movement when you, the Japanese, cooperated with us. Though you might not agree with our principles, your sympathies were, nevertheless, with us. But now, it is different. You have invaded and occupied our territories, and through your actions, you have become our enemies in fact! Hence, we could not but sigh that when we see each other this time, there has been so much difference between the past and present" said Mr. Hu passionately.

After keeping silence for a moment, apparently being quite startled by Mr. Hu's sharp words, General Suzuki broke his silence by requesting Mr. Hu to explain more about the contents of Dr. Sun Yat-sen's "Pan-Asiatic Doctrine." "Very well," replied Mr. Hu immediately. "I have written many articles on this subject. The most important point which we should keep in mind is that Dr. Sun's Pan-Asiatic Doctrine is materially different from the Pan-Asiatic Doctrine coming from the Japanese mouths. In his whole principle, Dr. Sun advocated the emancipation of all oppressed races and the reconstruction of nations; and the realization of the political ideals of the Three Principles of the People, the aim of which is the Universal Brotherhood. The Pan-Asiatic Doctrine is the first step towards this aim, and is one of the ways for the realization of these ideals. In his Pan-Asiatic Doctrine, Dr. Sun discussed more about the putting into effect of the principle of nationalism. But in order to realize this, the first thing is to oppose the invasions of the territories by the imperialists, and to free them from all the oppressions imposed upon by the imperialists. So when the Chinese talk about the Pan-Asiatic Doctrine, the first and only aim is to seek the independence of the Chinese people. If the Japanese would also talk about the Pan-Asiatic Doctrine, they should assist the Asiatic people in their efforts to seek for independence and to oppose jointly with these Asiatic people against the invasions of the territories by the imperialists, in the true spirit of 'Wang-Do'. So we can say that the following are the general principles of the Pan-Asiatic Doctrine :—

The General Principles

1. The Pan-Asiatic Doctrine is the Oriental Wang-Do Doctrine, different from the Occidental militarism;
2. The Pan-Asiatic Doctrine is to save and assist the weak different in aim from that of robbing.
3. The Pan-Asiatic Doctrine is the Principle of Nationalism of the Three Principles of the People—different from the principle of self-aggrandizement of the imperialists.

"Only when this is clearly understood, one would be qualified to talk about the Pan-Asiatic Doctrine advocated by Dr. Sun," Mr. Hu declared.

Mr. Hu then went on to discuss at length the "fallacies" of the Japanese Pan-Asiatic Doctrine, pointing out specifically the mistakes of the "Japanese Asiatic Monroe Doctrine," and characterizing the Japanese "Statement" on April 17 as a gross violation of the Pan-Asiatic Doctrine. The veteran member of the Kuomintang then said, "Then, the characteristic of the Japanese Pan-Asiatic Doctrine is a doctrine for seeking the control of the whole of Asia by the Japanese themselves. Their first success is the annexation of Korea; and second success is the annexation of Manchukuo; and the third success is probably the annexation of Western Mongolia and North China."

"Should such be the Pan-Asiatic Doctrine?" "Should such be the Sino-Japanese friendly relations?" "Under such conditions, could we co-exist and co-enjoy with each other?" asked Mr. Hu when he put these questions emphatically before General Suzuki.

After another moment of silence induced by Mr. Hus' remarks, General Suzuki said, and asked: "We hope we should do what Dr. Sun taught us to do. But you, Mr. Hu, agreed to employ the Anglo-American-Russo mediation to settle the Far Eastern problem. What is the meaning?"

"This is very easy to understand," replied Mr. Hu immediately, "and I may repeat what I told to the Japanese consul in Hongkong that if the Japanese really act in contradiction to Dr. Sun's Pan-Asiatic Doctrine, and are to invade our territories with a view to ruining our nation, we, for self-preservation and independence, and for our Pan-Asiatic Doctrine, would do something."

"Such is the case," continued Mr. Hu emphatially, "If the Japanese come and invade our territories, we are determined not to seek first foreign assistance, but would be willing to sacrifice whatever we have to put up a life-and-death fight against the Japanese, irrespective of its consequences. We would first fight, and then would inquire into the attitude of the foreign powers. That is, we are determined not to yield to the might, nor would we beg for mercy and ask for assistance from the strong," concluded Mr. Hu.

General Suzuki then asked Mr. Hu whether he would make public his statement, to which Mr. Hu declared that he had told the same to the diplomatic officials before, and now he tells the same to the militarists, and that such is his "never-changing" policy thoroughout, which General Suzuki might well make public.

In visiting the South, General Suzuki carried an important mission in finding out for the Japanese militarists in Tokyo the Chinese official opinion in the South about the Sino-Japanese situation, and to convince the Chinese officials as to the advisibility of forming the so-called Sino-Japanese economic bloc, etc. But judging from the answers which he received, his mission to the South is a "flat failure."

Nanking, December 24, 1934.

Recent Mass Executions in Soviet Russia Stir British Labor

The recent mass executions in Russia have stirred British Labor. The General Council of the Trades Union Congress and the National Executive of the Labor Party have passed a resolution stating that they have been profoundly shocked and alarmed at the reprisals, in the form of widespread summary executions, that have followed the murder of Sergei Kirov. They urge that all persons arrested should be afforded legal defence and a public trial.

Zinovieff and Kamenev to Be Exiled

Reports from Warsaw announce that Georgy Zinovieff and Lev Borisovich Kamenev, both of whom helped Lenin to found the Soviet Union, were arrested Dec. 21. Zinovieff is the alleged author of the historic letter, known as the Zinovieff Letter, the publication of which helped to defeat Great Britain's first Labor Government in 1934. The communication, addressed to the Communists of Great Britain, urged them to rise in rebellion. Kamenev, whose real name is Rosenfeld, was appointed chairman of the Council of Labor and Defence on the death of Lenin, but was deprived of office when he joined the opposition headed by Trotsky. Gregory Zinoviev, Lee Kamenev and five others are to be banished from Russia.

That no mercy will be shown to Zinovieff this time was the gist of a recent radio message from Russia. Six years ago, the statement proceeded, Comrade Stalin showed clemency to Zinovieff, but this time no mercy will be shown. "Zinovieff and Kamenev are the authors of the terror that led to M. Kirov's murder. We in Soviet Russia do not believe in the socalled Christian morality, we believe in the principle of three blows for one." The press, in violent articles, continues to raise the demand for the extermination of the "dregs of Zinovieff's opposition group."

Joseph Stalin, Soviet dictator, proposes to ask France to expel Leon Trotsky, alleging that the exiled co-worker of Lenin inspired the whole insurrectionary plot in which the assassination of Sergei Kirov was the first move.

Preliminary inquiries into the Kirov assassination case allegedly established that Nikolaiev, who committed the crime on Dec. 1, was a member of an "underground" terrorist, anti-Soviet group which was formed by the former Zinovieff opposition in Leningrad. The murder of Kirov, according to messages from Moscow, was committed by Nikolaiev on the instructions from the "Leningrad Centre," given to him by a member and one Kotolinov. The assassination of Kirov was prompted by the efforts of that "underground" group to disorganize the leadership of the Soviet Government through terrorist acts directed against outstanding leaders of the Soviet regime in order to secure a change in the present policy along the lines of the so-called "Zinovieff-Trotsky Platform."

An Anti-Christman Drive in Soviet Russia

An anti-Christmas campaign was in full swing throughout the Soviet Union over the holidays. Under the slogan that Christmas and its tradition are but "sentimental nonsense which no educated toiler will ever share," the Anti-God Movement headed the whole campaign.

Japanese Diet Announces Prolonged Adjournment---A Political Truce

The Japanese Diet session was formally opened Dec. 26, with the reading of an Imperial rescript. A prolonged adjournment was then announced. The Diet will probably not re-convene until the middle of January. The long recess has been agreed upon to permit leaders of the various political groups to study the governmental situation and to determine whether they will abandon their opposition to the present Okada Cabinet.

Political writers in Tokyo believe that the Seiyukai, most powerful of the opposition group, will abandon its plan to submit a motion of non-confidence in the Cabinet early in the legislative session.

Japan Has Huge Unfavorable Trade Balance

Japan's foreign trade this year will result in an unfavorable balance of more than Yen 100,000,000, it is predicted. The excess of imports last year was Yen 85,435,000. The details of important exports and imports this year were as follows: Exports: Cotton cloth—Yen 459,000,000; Silk—Yen 267,000,000; Rayon—Yen 106 000,000; Silk cloth—Yen 72,000,000; Bottled and canned provisions—Yen 44,000,000; Wheat flour—Yen 25,000,000; Others—Yen 972,000,000. Imports: Raw cotton—Yen 629,000,000; Wool—Yen 173,000,000; Iron—Yen 153,000,000; Machinery—Yen 110,000,000; Petroleum—Yen 77,000,000; Peas and beans—Yen 46,000,000; Wheat—Yen 37,000,000; Lumber—Yen 36,000,000; Others—Yen 841,000,000.

Nikko's Famous Cryptomeria Avenue in Danger of Ruin

Nikko's old cryptomeria avenue, one of the feature attractions among the scenic beauties of this famous resort, is in danger of ruin. For the past four or five years, a number of these trees have been withering. This year alone, more than 50 of these famous trees have died. As yet the malady from which they are suffering is unknown.

Big Increase in U.S. World Trade Shown

A big increase in the world trade of the United States has been revealed by the figures for the year ended June 30, 1934. Exports for the period under review increased by 42 per cent in value and 18 per cent in volume while imports went up 46 per cent in value and 20 per cent in volume as compared with the previous year. The value of exports to and imports from Europe increased by 38 and 48 per cent respectively.

Japan's Trade with South America Grows Faster Than America's

Latest trade statistics show a considerable increase of Japanese exports to South American countries at the expense of the United States. During the first nine months this year Japan shipped U.S.$21,000,000 worth of goods to South America, as against $7,000,000 only during the same period last year. The United States' exports to South America during the same period, figure at $249,000,000 as against last year's $167,000,000. In other words, America's exports to the Southern Hemisphere increased by 63 per cent, while Japan's leaped by 300 per cent.

Ten-and-a-Half Million Unemployed in the United States

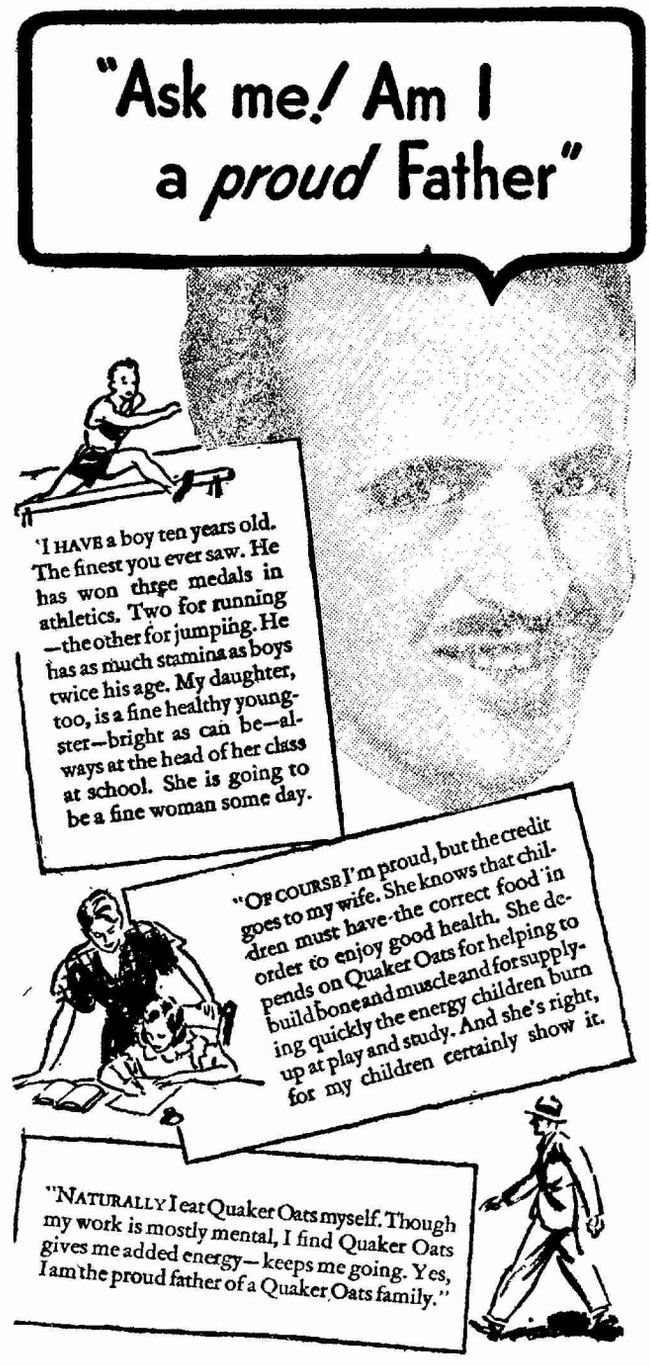
American labor leaders state that the number of unemployed in the United States in October totalled 10,671,000 compared with 10,122,000 unemployed during October last year. They estimated that over 5,000,000 additional people have been forced to seek relief during the past twelve months. No improvement is expected before next spring.

Lin Shu-fan Is Acquitted by Kiangsu Court

Liu Shu-fan, director-general of the Postal Remittances and Savings Bank during 1930-31, has been acquitted by the Second Branch of Kiangsu High Court, of charges of having dealt in Chinese Government bonds through the Shanghai branch of the bank, causing alleged shortage of $350.73 resulted from mortgage loans for financing the transactions.

The High Court decision, handed down by Presiding Judge Yueh Dec. 25, cancelled a decision of the First Special District Court which convicted Mr. Liu under these charges and sentenced him to a jail term in addition to the deprivation of civil rights for a number of years. In another case against three former officials of the postal bank the Kiangsu high court sentenced Chao Pao-shan to two years' imprisonment and a fine of $300 in addition to a ruling that he be deprived of civil rights for five years. He was convicted under charges of having collected a commission for himself in a land transaction to which the bank was a party. Yang Pei-chang, one of the accused, was acquitted while the judgment against Yang Kien-ping, former director-general of the Postal bank during 1932 who later participated in the Fukien rebellion and subsequently failed to appeal in the case, was not rendered.

Mr. Liu is founder of the Postal Remittances and Saving Bank and was connected with the Chinese postal service for more than 20 years.


"Ask me! Am I a proud Father"
'I HAVE a boy ten years old. The finest you ever saw. He has won three medals in athletics. Two for running—the other for jumping. He has as much stamina as boys twice his age. My daughter, too, is a fine healthy youngster—bright as can be—always at the head of her class at school. She is going to be a fine woman some day.
"OF COURSE I'm proud, but the credit goes to my wife. She knows that children must have the correct food in order to enjoy good health. She depends on Quaker Oats for helping to build bone and muscle and for supplying quickly the energy children burn up at play and study. And she's right, for my children certainly show it.
"NATURALLY I eat Quaker Oats myself. Though my work is mostly mental, I find Quaker Oats gives me added energy—keeps me going. Yes, I am the proud father of a Quaker Oats family."

Every member of the family needs Quaker Oats! It creates sound bodies, benefits blood and nerves, helps form sound teeth. Try Quaker Oats. See how this delicious food helps create perfect health! Economical, easy to prepare—cooks in 2½ minutes.

LOOK FOR THE QUAKER FIGURE FOR GENUINE

Quaker Oats

D-6

Japanese to "Plant" 250,000 Settlers in Manchuria

With the avowed aim of planting 250,000 Japanese settlers on "Manchukuo" soil, the sponsors of the Manchurian Migration Company Dec. 22 announced the completion of preliminary plans. The new company, according to the sponsors, will be a joint Manchurian-Japanese concern, capitalized at Yen 50,000,000. The projected concern plans to settle Japanese immigrants in the Hulin, Mishan, Paokou, Puli and other districts east of Harbin. The sponsors of the colonization scheme plan to present the necessary bills at the forthcoming session of the Japanese Diet.

Chinese in Five Districts Ordered to Vacate

The Chinese residents of these five districts (in northeastern Kirin) will be rendered homeless by the new move, as the department of civil affairs of "Manchukuo" has ordered the people of these five districts to vacate.

New Manchurian Administration Plan Approved by Privy Council

The Privy Council, Dec. 22, unanimously approved the plan for the reorganization of the Japanese Administration in Manchuria. Gen. S. Hayashi, Minister of War, was appointed concurrently chairman of the Manchurian Affairs Bureau. Under the new scheme, which went into effect Dec. 22, the head of the Japanese Administration will be the Commander-in-Chief of the Japanese Army in Manchuria, Gen. Jiro Minami, who will concurrently be Ambassador at Changchun and enjoy administrative powers. Under him will be a chief of gendarmerie, who will be, concurrently, chief of police, a post hitherto held by a civilian; a chief of the general staff of the Japanese Army in Manchuria and a chief of communications, who will be concurrently chief of the traffic control bureau. The Bureau is designed to unify Manchurian affairs, including the control of the South Manchuria Railway Co. and the Manchuria Telephone & Telegraph Co., which work has hitherto been carried on by the Overseas Affairs and other Ministries. T. Kawagoe, has been appointed vice-president of the Bureau to assist Gen. Hayashi.

State Control of Private Industries

Reports that the "Manchukuo" government is planning to extend state control over private industries to those enterprises which are still outside of its scope were confirmed Dec. 23. The Ministry of Industry experts are at present drafting the plans for the supervision of "Manchukuo" industries, in collaboration with the Special Service Department of the Kwantung Army. Enterprises already directly controlled by the government include the Manchurian Petroleum Co., the Collieries Corporation, the Gold Mining Co., the "Manchukuo" Electric Corporation, the Automobile Manufacturing Co. and the Raw Cotton Co., whose total capitalization amounts to $130,000,000.

Dynamite Under Bridge Found in Time to Halt C.E.R. Wreck

Railway guards of the Chinese Eastern Railway Dec. 22 discovered that bandits had laid 15 charges of dynamite beneath a wooden bridge 19 miles east of Imienpo. The objective of the bandits was a Japanese troop train, which was scheduled to cross the bridge 20 minutes after the dynamite had been discovered. The explosives were removed and a message was sent to Imienpo warning those aboard the train of a possible attack by bandits. No trouble eventuated, however, the bandits evidently having fled from the vicinity when the railway guards appeared on the scene.

Large Profits Made by Dairen Firms

An average profit of 12.7 per cent was earned during the first half of this year by 49 out of 53 leading firms of Dairen, according to figures issued Dec. 22 by the Civil Administration Office of the Kwantung Government. The total paid-up capital of these concerns, which do not include the mammoth South Manchuria Railway Company, amounts to Yen 90,000,000.

Floods Change Course of River, Thus Causing New Boundary Dispute

A serious situation arising from novel circumstances has developed between the Soviet and "Manchukuo." The Harbin *Times* reports that the boundary river Wudaho, owing to the summer floods, has changed its course and caused the formation of an island to the south of the eastern frontier town Tungning. The Soviets claim the island and have constructed a pill-box there manned by their troops. The commander-in-chief of the "Manchukuo" frontier forces protested to the commander-in-chief at Habarovsk, who replied that the island was the territory of the U. S. S. R. The "Manchukuo" commander-in-chief then extended his troops along the boundary, thus cutting off communications between the U.S.S.R. and the garrison on the island.

Another Soviet-Manchurian border incident, threatening further Russian-Japanese complications, is being investigated by the Soviet government. A Japanese army officer and a Manchurian private were discovered at the frontier village of Verkhne-Nikolski. The officer is alleged to have been making photographs at the village, and the private was engaged in making sketches. Both were taken into custody by local Soviet authorities.

New Ambassador Says Manchukuo Policy Will Remain the Same

There will be no change in Japan's fundamental policy toward Manchukuo, General Jiro Minami said upon his departure from Japan Dec. 20 to assume his new duties as commander of the Kwantung Army and concurrently the Ambassador to Manchukuo. The policy, he observed, has been based on full recognition of Manchukuo's independence and acceleration of the New State's development as a means of contributing toward peace in the Far East and the welfare of the world; and those bases still stand, he said.

Federation of British Industries Makes Report on Manchukuo

The long awaited report of the Federation of British Industries to Japan and Manchukuo, was made public in London, Dec. 21. It averred that the mission was entirely unofficial and non-political, and emphasized that the reports attributing statements of a political nature to members of the mission are entirely without foundation. The mission said it found a genuine spirit of friendship toward Britain existing in Japan, which it is claimed, has been strengthened by its visit and by the formation of a permanent link representing Anglo-Japanese industry in London and Tokyo. It has reached a definite conclusion that there are openings for British industry, chiefly in the provision of capital and goods in connection with the rapid developments now being made.

Having offered Manchukuo authorities the collaboration of British industry, the mission received a written assurance accepting the offer in principle. Concrete proposals supporting this principle will be submitted to the mission in due course, with a view to allowing substantial participation by British industry in the completed development, subject to mutual agreement as regards prices and the terms of payment. Meanwhile, as a preliminary step, an agreement has been reached as regards the supplying of steel products to Japan for delivery in Japan and Manchukuo during 1935, details of which have been communicated to the British Iron and Steel Federation.

Lord Barnby Heads Anglo-Japanese Trade Commission

Lord Barnby, who headed the recent British Industrial Mission to Manchukuo, was elected Dec. 22 the chairman of the Anglo-Japanese Trade Commission. The formation of the commission was decided upon by the members of the Federation of British Industries, following the publication of the Mission's report on its findings and recommendations. This trade body, it is announced, will maintain close contact with a similar organization which was formed in Tokyo by the Economic League of Japan on November 26.

Soviets Bar "Famine Relief" Contributions

Although campaigns for "Russian famine sufferers" are being carried on in several foreign countries, steps have been taken by the Soviet Government to prevent relief funds from entering the country on the ground that there is no famine or prospect of one, that relief is not needed and that the campaigns themselves are a form of anti-Soviet Propaganda.

Some money sent from abroad has in the past actually reached peasants, a New York correspondent learned on a recent trip through the grain regions worst affected by drought. Some of this was accepted, some sent back and some turned over by the peasants to the International Society for the Relief of Revolutionary Workers and their Families, a radical organization to succor imprisoned Communists in Germany , among other countries. It is doubtful whether much relief money is now getting into Russia.

One society on whose efforts in the Soviet Union the correspondent was able to check to a certain extent is the Aid to Brothers in Need, a German organization against which the Soviet is especially incensed. This society has solicited funds for German colonists, thousads of whom are in the Soviet Union, many being descendants of German farmers who were induced to immigrate here by Catherine the Great. The funds are sent in the form of Torgsin certificates.

On the ground that this "relief" for "starving" people in Russia was an attempt by the Nazi-controlled German press to divert the attention of the German public from their own difficulties, the Soviet authorities ordered Torgsin—a chain of State stores founded primarily for foreigners and selling goods for gold currency only—not to accept money from the Aid to Brothers in Need, and also to take steps to prevent the society from sending in German funds by roundabout means.

New Regulations to Prevent Silver Smuggling

For the more effective prevention of the smugging of silver a a set of three measures has been drawn up by the Ministry of Finance, and forwarded to General Chiang Kai-shek, President of the Military Affairs Commission, for enforcement by the various military and police authorities.

Provision is made both for punishment of the smugglers, and reward of those responsible for their detection. The memorandum containing the measures, as despatched by the Ministry to General Chiang, follows :

Fine in Addition to Confiscation

1. Should any smuggling of silver dollars or other forms of silver be detected and the silver seized, not only should the silver dollars, or othet forms of silver smuggled, be confiscated, but a fine equivalent to double the value of the silver smuggled should also be imposed, and the persons responsible for the smuggling severely punished.

2. After the confiscated silver dollars or other forms of silver, referred to in the preceding measure, are disposed of, the proceeds should be employed as reward in the following manner :

Substantial Rewards for Detection

(a). If the smuggling was detected by the Customs, or police organs alone (without previous information from other sources), a double reward should be given according to the Customs Regulations governing rewards for detection of smuggling without the assistance of informants. That is to say, 60 per cent of the proceeds should be given as a reward for extraording achievement, and 40 per cent for ordinary achievement.

Double Rewards in Certain Instances

(b). If the smuggling is detected by the Customs with the aid of informants, and the contraband seized with the assistance of military or police organs, double rewards should be given according to the Customs Regulations governing rewards for detection with the assistance of informants. The military or police concerned, and the informants, should each received 40 per cent of the proceeds, while the Customs officers concerned should receive 20 per cent.

(c.). If the smuggling is detected by the Customs with the aid of informants, and the contraband seized without assistance of military or police organs, the informants should receive 60 per cent of the proceeds and the Customs officers 40 per cent.

(d). If the smuggling is detected and the contraband seized by the Customs with the assistance of the military or police organs but without the aid of informants, the military or police concerned and the Customs officers should each receive 40 per cent of the proceeds.

Names of Informants to Be Kept Secret

The names of the informants should be kept secret.

3. Except where the smugglers have escaped or are unable to pay the fine, 200 per cent of the double fine provided in (1) should be gived as an additional reward to the military, police, informants and Customs officers concerned, and the remainder of the fine turned over to the Government.

Chinese Economist Proposes a "Happy Medium"

While reduction in the silver content of the Chinese dollar is still declared unacceptable to both Nanking and local Chinese banking circles, a formal proposal has been submitted by a well-known Chinese economist to Dr. H. H. Kung, Minister of Finance, which, if adopted, would he says, enable China to strike a happy medium in solving her currency problems.

General Yang Urges Preparedness in Y.M.C.A. Speech

General Chieh, newly appointed vice-chief of the general staff and dean of the Central Military Academy, in a speech recently given at the Nanking Y.M.C.A. declared that because of the horizon in Europe and the Far East, China should immediately mobilize her national forces to prepare for any eventualities if she hoped to survive the present international political storm. General Yang headed a Chinese military mission on behalf of the National government, 1933-34, visiting Europe and the United States. The subject of his address was "A General Survey of the National Mobilization of Various Powers."

"China is the least prepared for the second world war and she would be helpless in case an international conflict broke out," asserted the military expert after reviewing the military preparations now feverishly undertaken by the world's leading powers. To reinforce the national strength, General Yang urged the country to stimulate production, eliminate wasteful spending and to welcome modern science with open arms.

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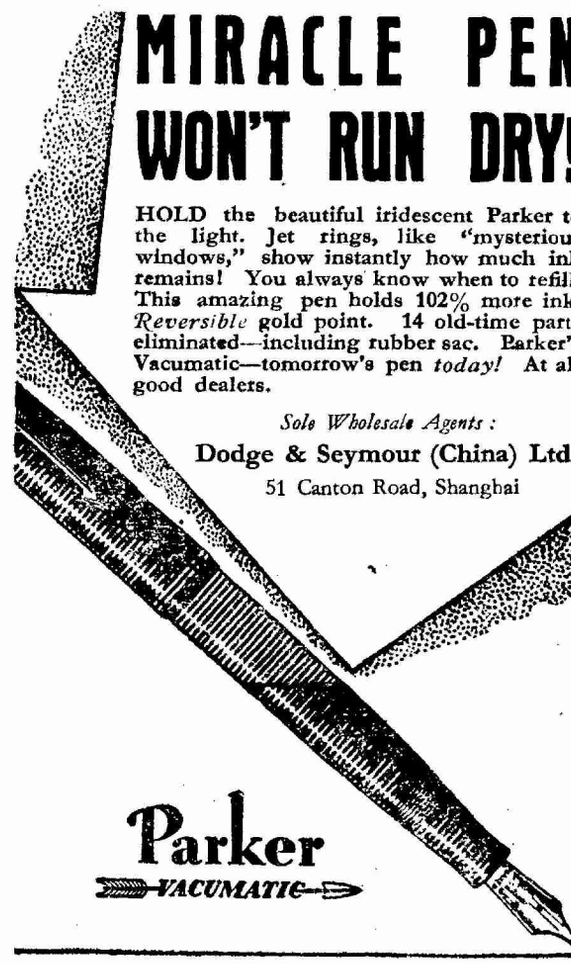

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Japanese Empire in the Balance---Task of "Asia's Savior"

BY ISHIHARA KOICHIRO

(President of the Ishihara Trading and Navigation Company, Limited)

THE world has witnessed the conquest, by the white races, of the colored peoples. Japan, too, was once treated as if she were a dominion of the white races, having been subjected to extraterritorial jurisdiction on the part of the Occidental countries Japan was even forced by powerful foreign countries to return territory legitimately acquired as war indemnity.

Again, our people were employed as guards of the white races in the Far East. More recently, during the Great War, our country made great sacrifices despatching warships to the distant Pacific, the Indian Ocean and the Mediterranean. Thus working on the side of the allied nations, Japan did everything in her power to win victory for them.

Notwithstanding this fact, the white races, after the close of the war, insinuated that Japan participated because of her territorial designs on Siberia, China and the South Sea islands. All they did in the way of compensation for our country was to transfer to Japanese mandate some isolated South Sea islands. Worse, they even went to the length of denying Japan racial equality, to which she is entitled in the light of international justice and humanity.

The rights and interests rightfully obtained by our country in Manchuria were flouted by China, who ran amok. Our Empire was frequently insulted by China. This culminated in the Manchurian Affair, which in turn resulted in the independence of Manchukuo. It is further undeniable that, in the dispute between Japan and China, the white nations constantly supported China with the intent to embarrass Japan.

Our country has thus long put up with insults on the part of the white races, but we cannot stand it for ever. In the Manchurian affair, Japan was completely isolated, 42 countries having ranged themselves against her. Under the circumstances, our country finally withdrew from the League of Nations; at present it stands in a solitary position, internationally speaking.

The foreign countries of late have been doing all in their power to exclude Japanese goods by raising the tariff wall and adopting an import quota. They are also enforcing a racial exclusion policy against the Japanese through prohibition of Japanese immigrants and instituting economic restrictive measures. Though the League of Nations has been endeavoring to place Japan in difficulties, its impotency has been evidenced at every turn. The decadence of the white races is clearly evident.

Although the foreign Powers are trying to exclude Japanese merchandise through tariff barriers and import quotas, they will be unable to cope with economic power based on great productive ability combined with cheap cost. They are unable to maintain a solid front due to their mutual selfishness, with the result that it helps unwittingly to accelerate the advance of Japanese goods in world markets. The restriction and prohibition of Japanese immigration by the whites is further proof their fear that they cannot compete with Japanese in work.

Japan's present solitary position, international, economic, and racial, in the nature of things stimulates Japan to greater activit and advance.

Diplomacy Based on Justice

Diplomacy should always be based on harmony and co-operation and not on strife. International strife, that is war, is a disaster for mankind. International questions should be settled as far as possible through peaceful diplomatic channels, not through war. It is evident, however, that settlement of international questions is impossible unless the State concerned has national power, both economic and military, if settlement through diplomatic channels is sought.

Up to the present, the white Powers have been oppressing the colored races, and through exploitation of the latter have enjoyed luxury and prosperity. In boycotting Japanese merchandise, the whites are dictated solely by the desire to sell their expensive goods to the colored races in their colonies, and it is thus patent that they totally disregard the interests of their subject races. Their oppression of Japan is practically tantamount to the opression of the colored races as a whole. The white Powers are still pursuing a dogmatic, self-seeking, and oppressive policy. To bring the whites to their senses, Japan's diplomacy must be strong.

The white races have so far been pursuing an imperialistic and aggressive policy; the white races command vast areas for themselves and have closed the door against immigrants from other countries. On this account, the Japanese are confined in a narrow area. All men, however, have an equal right to live, and it is in no way unreasonable to exercise this right and demand that the white countries open up their colonies to other people. There surely is no harm in demanding the right of equality for all mankind, and this is and should be the sacred mission of the Japanese race. The Japanese have not the least intention of establishing a world for themselves alone. We must however, insist that the white races recognise mankind's equality of rights as well as freedom of trade. And should the whites turn down this request, the Japanese will have to be in readiness to safeguard such necessity through exercise of the right of existence.

Japan does not seek war. But should Japan be refused her right to equality, even though she tries to gain it by peaceful diplomatic means, she will certainly fear national insecurity of living. Japan must strengthen her national power in order to avoid war.

Equal Right to Armaments

Unequal armaments based on the London and Washington treaties are insisted upon by Britain and America in order to support their unreasonable vested rights. At the time our country was obliged to conclude such agreements with them, having been unable to withstand their pressure. Fortunately, however, the two agreements are to expire in 1936. And to take the place of these unequal agreements, equal rights to armaments should be gained. In all probability, however, this will never be accepted by Britain or America, and should, in such a case, the two countries bring pressure to bear upon us—though we think it will be found impossible in view of the actual situation—we shall have to rise and hold our own against them. This is absolutely necessary for the racial development of our people. Even if Britain and America should resort to force against Japan, we need not fear; nay it would be rather advantageous to our country if we too try to settle the issue by force, though it is a fact that the supreme policy of our country is to realise our ends without having recourse to war, it such be possible. In order to attain our ends without using force, it is absolutely necessary to consolidate and strengthen our national defence and to join hands with countries which have identic interests.

The Soviet Union, founded on the principles of Communism, is the only country the political principles of which are utterly incompatible with the constitution of Japan. She is a constant menace to Manchukuo. As a result, tension, exists.

The basis on which the Soviet Union was originally formed was a purely theoretical socialism belonging to the schools of Marx and Engels. In view of the fact, however, that the welfare of the masses and the sound development of a nation are impossible under such theoretical "isms," the Soviet Union has already shifted to state capitalism, under which she is concentrating her efforts on the development of heavy industry by setting at naught the welfare of the nation. In consequence, Russia is in dire straits. The sound growth of a nation is impossible when its people are in a financially exhausted condition. It is considered inevitable that the Soviet Union will have to depart from state capitalism to some other "ism." Viewing the Soviet Union from this angle, it is problematical whether communism will hold good in the future.

The fact that the Soviet Union at present plots to menace and upset Manchukuo does not necessarily mean that she is prepared to wage war with Japan. It means on the contrary that she is obsessed with the nightmare of a Japanese invasion into Siberia. The independence of Siberia from the Soviet Union might be a measure to perpetuate the peace of the Soviet-Manchukuo border, but it would involve great sacrifices on the part of Japan. It is open to doubt whether the independence of Siberia is worthy of such sacrifices. For there are other things requiring earlier solution.

To put it briefly, Japan must first arrest further Soviet penetration into the Far East. There is no doubt that a Soviet invasion into the Far East has been a constant subject of study for Russia since the Russo-Japanese War. From these considerations, the Soviet Union had better spend less on her military arrangements in her Far Eastern territory, redouble her efforts towards the development of heavy industry, and change her course of expansion from the Far East to Persia. In that case, Japan should be willing to supply the Soviet with whatever the latter wants. If the Soviet Union is at liberty to advance on Persia, she will have nothing more to desire. A rapprochement between the two nations both in letter and spirit is in the cause of their mutual benefits. Further, in all likelihood, it will affect more or less British rule over India. Then Soviet-Japanese rapprochement would serve as a check against the highhanded policy of Britain in the East, undoubtedly ushering in better relation between Japan and China.

Germany's Courageous Action

Germany, the loser in the World War, was ostracised by the Powers as a violator of peace and had to bear the stupendous burden of war reparations. She was stripped of all her colonies and was completely disarmed. Her patience having been exhausted at last, Hitler courageously divorced Germany from the League of Nations and decided not to pay war reparations. Isolated, Germany is now desperately trying to cut her way out of her impasse. She at present has no colonies, while she tops the list of European nations

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Who's Who in China

李平衡
Li Pin-heng

Li Pin-heng, Government official; born at Hwauning, Anhwei; 1897; LL. B. Sorbonne University, Paris; Secretary, International Intellectual Union; Executive Member, K. M. T. District Headquarters in France; Director, Department of Labour, Ministry of Industries since January 1932; Chief of the National Factory Inspection Bureau, Ministry of Industries since 1933; Chairman, Editorial Commission of Chinese Labour Year-Book since October 1932; Director of *China Labor Monthly* since April 1932; Member of the Governing Body, International Labor Organization since 1934; address: Ministry of Industries, Nanking.

李平衡，三十七歲，安徽人，巴黎大學法學士，現任實業部勞工司長，中央工廠檢查處處長，中國勞働年鑑編纂委員會委員長，勞工月刊社社長，國際勞工理事院理事，通信處：南京實業部勞工司，

in point of population density, (sic). Nor is she in a position to be on a self-sufficing basis. Her international position from all angles closely resembles that of Japan. Hence, there is room for rapprochement. German-Japanese cooperation is not only a step to save Germany from total collapse, but is an effective step for Japan to arrest the advance of the United States, Britain, France and Italy into the Asiatic continent.

To make a long story short, the future foreign policy for Japan to follow should be along the following lines:

1. Rapprochement between Japan, Germany and the Soviet Union.
2. Establishment of diplomatic autonomy in dealing with Britain and the United States.
3. Restoration of armament equality.
4. Establishment of racial equality, and restoration of the free trade principle.
5. Racial unification of the entire Asiatic continent in order to save the colored races from the ravages of exploitation by the whites.

—(*Translated by Contemporary Opinions, Tokyo*).

Manchuria-- "Not a Case for the League"

According to reports from Kobe, the editorial article which the Japanese censors deleted from the *Japan Chronicle* of Dec. 14, was entitled "Not a Case for the League," in the course of which appeared the following paragraph:

"It is rather curious that, in the case of Manchuria, when it was reported that this part of China had declared its independence, there was no suggestion of any such intervention as had been made in Russia. It might have been argued that the Manchurians did not really desire independence, and that, if there was only a strong body of foreign troops, all men of good will would rally round them and restore the country to its allegiance to the Nanking Government. No such endeavor to restore the *status quo* was made. It sounds ridiculous to suggest such a thing, but why should what seemed so obvious and right in the case of Russia be ridiculous in the case of China? Chiefly, it might be remarked, because there was one Power on the spot which knew its own mind, and that this Power had no inclinations that way. Manchuria's fate, for the time being, is decided. One does not know what may happen in the next few years, but for the present not even the League of Nations is likely to have anything to say regarding Manchuria's proper allegiance. There is much of China left, howevr, and it is giving the nations cause for anxiety—more cause than most of them seem to understand."

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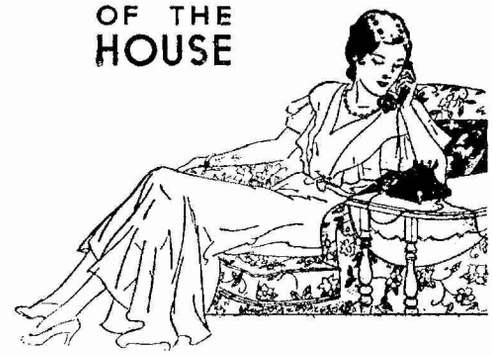

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Thousands of careful parents always keep them ready at hand for immediate use. Chemists everywhere can supply you with

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Men and Events

Shen Jen-ting, newly appointed Chinese minister to Panama, is to sail for the United States on New Year's Day on the Dollar liner *President Coolidge*.

Brigadier-General C. D. Bruce, who was commissioner of police of the International Settlement at Shanghai, a quarter of a century ago, died in London Dec. 26, at the age of 72.

R. R. Service, general secretary of the China International Famine Relief Commission, spoke on "Famine and Relief Works" to St. John's University student body on Shanghai, Dec. 19.

The fourth and the last boat, the s.s. *Hai Chen*, ordered from Great Britain by the China Merchants Steam Navigation Company, with Boxer monies arrived in Shanghai Dec. 21.

Chinese doctors practising western medicine in Canton have submitted a petition to the Southwest Political Council requesting it to restrict the number of foreign doctors opening practice in said city for the reason that foreign doctors in Canton are competing with Chinese doctors.

A recent dispatch from Tientsin to the *Tokyo Asahi* stated that negotiations are in progress between the Chinese and German Governments on a scheme to establish an automobile route between Berlin and Peiping. The route, it is said, will later be extended to Shansi and Sinkiang Provinces in China, and will be undertaken with German and American capital.

The new Race Course Market, located at Myburgh and Burkill Roads, Shanghai, was opened Dec. 27. This market is an achievement of the Realty Investment Company, Federal Inc., U.S.A., who are the owners. There are two main thoroughfares through the market. A. Corrit, engineer and contractor, built the structure with reinforced concrete, which is fire-proof.

J. B. Powell, editor and publisher of the *China Weekly Review*, returned to Shanghai this week, after spending three months and-a-half in Soviet Russia collecting material for a series of articles in *The Chicago Tribune*. Mr. Powell returned to Shanghai by way of Japan where he spent two weeks writing a further series of articles dealing with naval and trade questions pending between Japan and the United States.

Quo Tai-chi, the Chinese minister to the Court of St. James, made an address in Chinese at the opening of the new premises of the Chung Hwa School and Club in London Dec. 22. His auditors were principally children of Chinese nationality, living with parents in the East End of London, who are pupils of the Chung Hwa School, where they are taught free the language, culture, customs, and folk tales of their native land.

A Shanghai Jewish delegation, consisting of Rabbi M. Z. Ashkenazi, Messrs. Hiler Epstein, N.E.B. Ezra, and B. Topas, called on the Japanese Minister, Mr. Ariyoshi, end of last week to present grievances on behalf the Jewish community in Harbin (shared alike by local Jewry), regarding the anti-Semitc campaign and the ill-treatment to which they are subject by the Japanese judicial officials employed by the Manchukuo Government.

Commercial Press to Increase Output

The Commercial Press, Limited, a Chinese printing concern of such dimensions as to be exceeded by not more than a dozen establishments in the United States, and which sustained heavy losses during the local Sino-Japanese hostilities in 1932, will convene a general meeting in Shanghai during the week, participated in by managers of different branches scattered throughout the country. Measures to improve their output were decided upon.

Civic Center Review to Be Held on New Year's Day

As a part of the celebration program for New Year's day, Mayor Wu Te-Chen, concurrently Garrison Commander of Shanghai and Woosung Areas, will officiate in a military review to be held at the Civic Center. Three thousand armed forces, 1,000 each from the Public Safety Bureau, City Defense Force and the Merchants' Volunteer Corps, will participate in the review. It has not been decided whether Chinese boy scouts will also attend.

Japan to Build Hospital With Boxer Indemnity Funds

The Japanese Foreign Office has decided to allow Yen 900,000 from Japan's share of the Boxer Indemnity Fund for the construction of a Sino-Japanese public hospital in Shanghai. A two-acre lot will be purchased between Dixwell Road and Pao-An Road in Hongkew district, and the construction of the hospital will commence in April, 1935. The direction of the matter was assigned by the Foreign Office to the Do Jin Kai, the Japanese Benevolent Society of Shanghai.

New American Bank to Be Established in Shanghai

The Pacific Banking Corporation incorporated in Connecticut, U.S.A., with an authorized capitalization of $2,500,000, will start business at 210 Szechuen Road, Shanghai, Jan, 4 next. The officers of the bank are as follows: President, Truman Johnson; vice-president, R. M. Vanderburgh; vice-president and assistant manager, H. T. Chang; secretary, A. R. Hager; treasurer, Frank Mulvey. The board of directors includes: Truman Johnson, who is president of Asia Electric Company, and vice-president of Realty Investment Company; he has had eight years of banking and financing experience in China and nearly six years in the United States where he was connected with the First National Bank of Los Angeles, California. W. A. Main is an executive of the Associated Mission Treasurers. Dr. George Sellett, who recently resigned as Unied States District Attorney for China, has lived in China and practiced law in Shanghai for 11 years, is the legal advisor of the bank. Fred Kempton, director and secretary of Realty Investment Company, is an experienced Shanghai merchant. J. Frost, head of Frost, Bland and Company, importers and exporters, has been in China many years. R. M. Vanderburgh, president of the Realty Investment Company, has been in China 17 years. J. E. Baker is best known for his famine relief work. J. E. Covington is president of the Universal Leaf Tobacco Company, Federal U. S. A.; A. R. Hager is the proprietor of the Business Equipment Corporation. A Corrit is a prominent engineer.

Arrests Made in Connection with Peiping Palace Museum Scandal

Armed with warrants issued by the Highest Court in Nanking, two procurators arrived in Shanghai last week and arrested Hsiao Shang-pei, described as a former official closely associated with Yih Pei-chi, former president of the Peiping Palace museum and principal figure in the scandal connected with said institution. He was handed over to the Nanking District Court for questioning. Among these indicted by the court procurate is Hsiao Yu, who was formerly connected with the then Ministry of Mining and Agriculture. His friends inserted a notice in Chinese vernacular newspapers denying reports that he had smuggled eight trunks of treasures to France. Mr. Hsiao is still in France.

Liu Kwang-ngoh, junior official of the museum, who is alleged to be involved in the $50,000,000 theft from the museum, was taken into custody at Peiping and later taken to Nanking for trial.

Wealthy Chinese Are Urged to Contribute to Drought Relief

Wealthy Chinese residents in Shanghai have received letters from the committee in charge of the $2,000,000 campaign for relief of populace in drought areas to contribute sums ranging from $50,000 to $1000.

Following a careful survey, the wealthy persons were classified into six classes by the committee. "First-class millionaires" will be requested to contribute $50,000 each, second-class $30,000 each, third class $10,000 each, fourth class $5000 each, fifth class $2000, and six class $1000 each.

Wealthy residents are requested to turn in their contributions within a period of three days, the committee ruled. "Action" is threatened against those who fail to turn in their donations, but the nature of such action was not divulged.

Second Appeal of Marquis Li Is Heard in Nantao Court

The hearing of the second appeal of Marquis Li Kuo-chieh, grandson of Lord Li Hung-chang, and deposed general manager of the China Merchant's Company, against his three-year sentence on a charge of misappropriation in connection with Tls. 30,000,000 loan agreements was opened in a special session in the Nantao District Court Dec. 15. Marquis Li was questioned concerning the payment of a sum of Tls. 700,000, an alleged installment from the China Realty Company with which firm, Li had signed agreements.

Asked whether he turned over Tls. 700,000 to Chen Fu-mou shortly following the signing of the loan agreement with the China Realty Company, in accordance with the regulation of the Supervisor's Office, the appellant replied that the Tls. 30,000,000 loan agreements with the China Realty Company was concluded under the instruction of the then minister of communications for the rehabilitation of the China Merchant's. He said that he had power to handle the firm's money, according to the said regulation. Li asserted that the Tls. 700,000 was turned over on instruction of Supervisor Chen for purpose of safe-keeping.

Movie Queens High-Hat, So Ballroom Patrons Riot

(Reprinted from the China Press)

When 10 Chinese movie queens fail to appear when they should, things are liable to happen. And they certainly did at the Paramount Ballroom Thursday evening. Today there are a lot of headaches, missing ash trays and statuettes. Paramount officials are breathing easy after a hectic couple of hours which almost gave them the jitters and officers of the Bubbling Well Police Station are chortling over their experience. There are also a couple thousand angry Chinese around town who will refuse to believe in coupons in cigarette tins.

A Chinese cigarette company thought it would be a great idea to throw a tea dance for their customers at the Paramount. It was a good idea, but somehow it didn't work out the way it should. The company inserted coupons into cigarette tins and for five coupons one could gain entrance to the Paramount and enjoy a tea dance. As a further inducement to make the public buy the cigarettes, 10 leading Chinese movies stars were to be present at the affairs; at least that's what the coupons said.

Thursday was the date of the tea dance. When the time arrived, hundreds of Chinese of all walks of life filled the ballroom. The management soon became nervous at the huge numbers. It is said that there was a hasty conference and that silverware was rapidly locked away.

As time dragged on and no movie queens appeared the crowd buzzed with anger. Soon the place was in an uproar as the crowd demanded the movie beauties. By this time it is reported that doors were ordered to be closed in order to prevent several hundred more Chinese from gaining entrance. This step resulted in lost tempers and it was but a matter of minutes before cries filled the air and fists began to make their power felt.

It took the whole available force of the Bubbling Well Road Police Station to quieten and eject the crowd with the threat of truncheon bashing.

Eventually when peace reigned once again, silverware, ash trays and glass statuettes were reported to be missing. It is also said that a few persons were injured and removed by ambulances for first-aid treatment.

Alaskan Delegate Will Ask for Construction of Naval Base

Anthony Joseph Dimond, delegate in Congress from the Territory of Alaska, will ask contruction of an impregnable naval base and establishment of a strong military and aviation post in Alaska at the forthcoming session of Congress.

According to his present plans, one of Mr. Dimond's bills will authorize the establishment of a military and aviation post on the Alaskan mainland, far enough inland to be out of the reach of long-range naval guns.

At least 100 airplanes of various types would be stationed at the aviation base, according to the plan.

U. S. Chief of Staff Wants Bigger Army

A dark picture of the U.S. Army's condition was painted Dec. 22 by Brigadier-General Douglas MacArthur, Chief of Staff, in his annual report to the Secretary of War. General MacArthur stated that the present enlisted men's strength of the U.S. Army is 118,750 as compared with the authorized strength of 280,000. There are only 175,000, enlisted men in the National Guard of the various states as compared with the authorized total of 430,000.

The U.S. Army Reserve's enlisted strength is practically non-existent although the authorized total is indefinite.

This weakness in the Army is known to the foreign powers, General MacArthur said, adding that the power of correction rests with the American people.

The United States, he said, needs an Army of 165,000 enlisted men, a National Guard of 210,000, and a well-trained reserve, having a minimum of 120,000 enlisted, men in addition to the active officers.

Brazilian Government to Boost Coffee Sales in China

When shown a recent article in *The Review* concerning the coffee production of San Salvador and Niecaragna, Mario de Castello-Branco, Consul General for Brazil in Shanghai, said, "Brazil furnishes 80 per cent of the coffee producation in the world." The government of Brazil is at present planning a huge advertising program to be carried out during the year of 1935. The Far East will be included in this program. A. A. Assumpcao will establish himself as a wholesale agent for Brazilian coffee here at Shanghai. He will arrange for frequent direct shipments of coffee from Brazil to China. Mr. Assumpcao is due to arrive here within a few days.

How Children Should Be

And How Dr. Williams' Pink Pills Made This Little Girl Sufferer From Rickets—

"Strong, Healthy and Full of Life."

"Iris is now quite a different child, for which her mother and I thank Dr. Williams' Pink Pills." These words are part of a statement made by Mr. H. E. Reimers, of 20 Vihare Lane, Wellawatte, Ceylon, wherein he describes the facts of his little daughter's cure as follows:—

"My daughter, Iris, aged 14 years, suffered from rickets and was very weak. She would not take her food willingly, and at nights was very restless. We were greatly worried about her state of health, for which we had tried various medicines in vain.

"It was on a doctor's recommendation that we gave her Dr. Williams' Pink Pills. Then Iris gradually grew stronger and healthier, put on weight, slept peacefully and developed a good appetite. She is now quite a different child, healthy, strong and full of life, for which her mother and I thank Dr. Williams' Pink Pills, and we have no hesitation in recommending this wonderful blood tonic to parents whose children suffer from rickets."

World-renowned as a blood and nerve tonic for men and women, Dr. Williams' Pink Pills are equally splendid as a builder for run-down children, and particularly valuable after measles, whooping cough, 'flu and common colds. For 'teen-age' weakness in girls, and the debility of anaemia in young people of both sexes, they have no equal.

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THE GIST OF JAPANESE PRESS OPINION

Finance Minister Takahashi was right when, in response to interpellations, he stated that national policy was "diplomacy first" with the military well balanced with State finance. But the question is how to ensure the required balance in question. —*Tokyo Chugai.*

It is regrettable that after such a prolonged session, the American-Japanese delegates in London failed to reach an agreement. It is this lack of mutual understanding that proves a drawback in the London Pourparler. Both Governments and people should know that by being on the warpath, they only get farther from agreement.—*Tokyo Jiji.*

Diplomacy first is the policy Finance Minister Takahashi had the courage of confirming in the Diet on behalf of the existing Ministry, and deserves unconditional popular support. The question is how to enforce that policy. We can only hope for the more positive efforts of the Foreign Office authorities for attaining the aim in question.—*Tokyo Hochi.*

The Seiyukai has given way before the Government, and the political crisis has been averted. This is a matter for congratulation indeed, for the political parties as well as for local sufferers. But such conduct of the Seiyukai will give chance to Fascists for advance. The Empire is on the dividing line between Fascism and partyism.—*Tokyo Kokumin.*

If America should terminate the London Pourparler because of Japan's cancellation of the Washington Pact, the burden of the responsibility for the breach of the conference lies not on Japan but on America. Our only consolation in this respect is that the American public opinion seems gradually correcting its wrong tendency.—*Tokyo Yomiuri*

It is quite incomprehensible to the Japanese why America must associate Japan's forthcoming notification with the London Pourparler and insist on suspending the conference after instead of before such notification. If America is against resumption of the pourparler next spring, she must take the consequence.—*Tokyo Hochi.*

It is really disappointing that America is opposed to the Anglo-Japanese tentative formula. If this formula is recognized by America, Japan may produce her concrete plan of disarmament. Whether such plan may be appreciated by America or not is of no matter to Japan. What she fears is not America's attitude by the world's criticism.—*Tokyo Asahi.*

Japan's notification to terminate the Washington Pact only enhances the importance of the Pourparler and by no means necessitates its suspension. It is foolish to suspend the pourparler simply because Japan notifies termination of the old pact. Unless Powers show more sincerity, the future of disarmament will be hopeless.—*Tokyo Chugai.*

The existing naval treaties are inadequate to ensure Japan's proper sense of national security in view of her redoubled responsibility for the maintenance of the Far Eastern peace. It is necessary not only to notify the termination of the Washington Pact but to ensure national and particularly naval unity after such notification.—*Tokyo Kokumin.*

Termination of the Washington Pact is only a preliminary to a new and better naval agreement. It is not a cause for suspending the present pourparler. Japan should not relax her efforts for realization of the disarmament and should produce her own concrete formula so that other Powers may be rid of their disillusions.—*Tokyo Miyako.*

Past instances show that at the beginning of each disarmament conference, China would start her anti-Japanese movements. In the present instance, however, we find an exception. Presumably because of Japan's resolute position at the Pourparler, China remains calm. If she is wise, she will go a step further and seek cooperation with Japan.—*Tokyo Chugai.*

With a man of such faith and competency as Gen. Minami now appointed Commander-Ambassador in Manchukuo, Japan's administrative policy may be regarded as having been placed on the fair way to enforcement. Such policy must be made known in Manchukuo to ensure its satisfactory operation.—*Tokyo Chugai.*

The banking panic started by the continuous exodus of silver from Shanghai is spreading to Hankow, Tsinan and Chefoo, with every danger of precipitating the whole Chinese money market into a serious disturbance unless the tendency is checked in due time. When China is off the silver standard, the worst sufferers will be the United States and Japan.—*Tokyo Osaka Asahi.*

Owing to the growing economic expansion of Korea and Formosa, the convertible notes issued by the Banks of Korea and of Formosa are on the steady increase in amount. To meet the situation the Finance Office considers reduction of taxation on excessive issue. The office should go a step further and expand reserve funds against such issuance.—*Osaka Nichi.*

One very reassuring sign of development marking the London pourparler is a tendency towards Anglo-Japanese conciliation manifested in the British tentative compromise plan of disarmament and in Lord Barnby's report advocating Anglo-Japanese industrial cooperation. Japan's wise policy is to get America to join for formation of a triple entente.—*Tokyo Asahi.*

It is regrettable that after the past six months' negotiations, the Batavia Conference shows no sign of agreement. The Dutch authorities seem to forget that an influx of alien goods is solely due to the value of the merchandise itself, and therefore that there is a limit to the possibility of artificially checking its inflow.—*Osaka Asahi.*

It is abolutely necessary for Japan to terminate the Washington Pact had Britain and America been aware of this from the outset, the London Pourparler might have witnessed a less complicate development.—*Tokyo Yomiuri.*

In launching the revised administrative system in Manchukuo, the unanimous Japanese desire is that it will promote the Manchukuo-Japanese friendship, and ensure at the same time the sound development of the new Empire as an independent Power. This unfailing principle of Japan should be made known to all the world.—*Tokyo Miyako.*

The Japanese policy for Manchukuo as published by Gen. Minami is both fair and timely. It is to respect the independence of Manchukuo and to ensure close economic cooperation. We hope that the General will conquer the difficulties that will face him in realizing his policy.—*Tokyo Hochi.*

Japan's notification terminating the Washington Pact is by no means for the purpose of creating a treatyless status but only for conclusion of a fairer disarmament pact. China is reported to be interpreting it as if it were an expression of Japanese aggressive policies, when it is really for the peace in the Pacific.—*Tokyo Miyako.*

Japan's foreign trade during the year indicates as remarkable an advance as it did last year. Particularly striking is the progress made by cotton fabric and rayon industries. This is due to excellence of Japanese industry. In view of the world policies, however, Japan should be prepared fully now against the possible turn of the trend.—*Tokyo Asahi.*

Two Victories Over Communism

The following is an excerpt from an Editorial in the "People's Tribune" under the heading indicated:—

"Many persons are still accustomed to think of Soviet Russia as a land of communism, a land ruled by labor bodies in which laborers have not only special rights and privileges, but supreme political control, where the wage system in existence is only supplementary to a widespread rationing system assuring all workers a subsistence, where the peasants are subject to the control of committees of radical communists with no respect for the individualistic traditions of the peasantry, where communist "worker-peasant inspectors" examine everyone's accounts, and the ever-present G.P.U. constitutes a communist state within the state, with an army of its own and supreme powers of life and death. This picture, however, is no longer correct. Official Communism in Soviet Russia today means nothing more than thoroughgoing State ownership and control of economic life, with a graded system of wages and salaries not dissimilar to that of Government workers elsewhere, expect that it is on a lower scale all along the line. Such Government ownership has very little in common with the traditional idea of communism, the holding and sharing of worldly goods in common. This idea in fact has been vehemently denounced by Stalin, Dictator of the Soviet Union today, and his Government is now moving decisively to end this sort of thing—so far as it still exists—in its wide domains.

"China, with no intention whatsoever of interfering in Russia's internal affairs, has in fact been very influential in affecting the course of events there."

Old Japanese Loans to Be Readjusted by New Loan Agreement

A Nanking message to the *Japan Chronicle* Dec. 14 stated that an agreement was signed between the Chinese Finance Minister and Mr. Takagi, Vice-President of the Chunichi Jitsugyo Kaisha (Sino-Japanese Industrial Company), Dec. 12 for a re-adjustment of old loans amounting to Yen 16,000,000. Together with the recent contract with the East Asiatic Development of the Yen 10,000,000 loan, this completes the re-adjustment of Japanese loans involving the Chinese Communications Department. The terms and conditions were generally the same as in the East Asiatic loan case, and repayment is to be completed in 25 years.

New Books of Interest in the Far East

A Pathetic Tale of Old China

Beauty in Exile, Chao Chun, by Shu Chiung (Mrs. Wu Lien-teh); Kelly and Walsh, Ltd., Shanghai, 1934. 170 *pages. Illustrated.*

The stories of Yang Kuei-fei and Hsi Shih, famous beauties of olden time have been told in former books by this author. In the present volume she has continued her pleasing narrative style in the pathetic tale of Chao Chun of the Han Court. Born in 53 B.C. she was an only child, tenderly nutrured by devoted parents of great integrity. The Emperor dreamed of a maiden of surpassing beauty and this caused him to commission one of his ministers to scour the Empire for beauties to attend his Court.

In those days a Chinese beauty contest lacked the Hollywood flavor and this has much to commend it. However, Yuan Ti, the Emperor, depended upon portraits of the assembled beauties in stead of actually seeing them, and though he was intrigued by the portrait of Chao Chun he was deterred from choosing her as consort because of a facial blemish which the jealous painter had added to his painting of the beauty to how his displeasure over the fact that she had no funds with which to bribe him.

Chao Chun was thus passed over and was sent to seclusion in the Cold Palace where she never had a chance to address the Emperor until she had been promised as bride to Hu Han-hsieh, the chieftain of the Hsiung-nu, a wild Tatar tribe living north-west of the Great Wall. After this promise had been given Chao Chun appeared in audience before the Han Emperor and he recognized her as his dream girl. The whole story of the perfidy of the minister, Mao Yen-shan, who sought the girls and also painted their likenesses came to light at this time. Mao and his family paid for his falsehoods with their lives and the Emperor attempted to give a substitute to the Hsiung-nu minister who was at the Han Court to escort his Khan's bride to her distant home. But the Tatar minister had by this time seen Chao Chun and would cnnsider no proposal for a change in the Khan's consort.

The peace of the north-west border depended upon friendship between the two courts and Chao Chun herself realized that her inclination or even the desires of the Emperor should not jeopardize relationships of state. Yuan Ti had to submit to losing the beautiful Chao Chun who added to her loveliness a very clever knowledge of state-craft. She was able to exact a promise of peace on the north-west border from her Tatar lord and master, Hu Han-hsieh, and later, after his death, when she followed the custom of that country and married one of his elder sons she obtained a similar pledge from him.

The story of Chao Chun's childhood, lonely palace days, lengthy and difficult journey to the north-west, life in the wild abodes of Tatar Khan, and the quiet sweetness of her character are well brought out by the author. The heroine bore several children and endured the tremendous sorrow of having her son killed by jealous relatives who feared his possible rise to a position of leadership. Through her early vicissitudes the faithfulness of her companion Wan-hua, a maiden from the Han Court, make a pleasant contrast to the heroine's hard fate. Wan-hua accompanied her on the long journey beyond the Gobi Desert, and her ministrations continued at the Tatar Court.

The illustrations are mainly from ancient paintings and pen and ink work. They harmonize beautifully with the story. At the end a photograph of Chao Chun's grave mound is given. This is near Sui Yuan and is called the Verdant Tomb of Han Ming Fei. It is said that the mound remains green even when the surrounding earth is dry and aried.

This whole story with its contrasts of beauty, honesty, court intrigue and baseness, ending in the noble endurance of exile in the cause of cementing peace for China is worthy of remembrance and this little volume presents the tale with charm and clarity.

December 5, 1934. G. B. S.

Kelly & Walsh Sell "Hundred Altars"—Book by Juliet Bredon

Through an oversight in printing the review two weeks ago of Juliet Bredon's book, "Hundred Altars," we omitted to state that the book is for sale in Shanghai by Kelly & Walsh, the price being $5.00 local currency.

Japanese Suspect Roman Catholics of Being Spies

According to the *Kokumin Shimbun* several hundred inhabitants of Amamioshima, a large island 200 miles south-east of Kyushu, incited by rumors of an alleged case of international espionage by Catholic fathers, attacked and destroyed several churches on the island and started a boycott against Catholics.

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The Compilation of China's Trade Statistics

PROBABLY few of the merchants, who receive as a matter of course and with the greatest regularity each month, the yellow volumes issued by the Chinese Customs, containing masses of important detail relating to trade in all parts of a country thousands of miles in extent ever give a thought to the remarkable efficiency of organization that alone makes publication of these trade returns possible.

A few years ago trade statistics were recorded in hand-written ledgers at all the different ports and the results forwarded to the central office in Shanghai for tabulation. It was upon the basis of the information collected in this way that the old quarterly returns were compiled. Necessarily the process was slow and laborious and it frequently happened that the complete trade statistics for one year were not made available to the public until nearly twelve months after the period to which they referred.

The Present Method

All that has been completely changed. A copy of every Customs application form, containing the full details of a shipment of goods, is now sent immediately to central headquarters where elaborate and complicated machines work at high speed in analysing the information and tabulating it under the various headings required. The process is intricate and during the course of the year millions of cards, punched with holes according to certain code numbers, are utilised, but the effect is such that officials in the statistical office are able not only to keep in touch with the trend of trade, but to supply, almost at a moment's notice, any information regarding particular imports and exports, with countries of origin or destination, at any Chinese port.

Whereas, in the old days, Customs headquarters had to rely largely upon the outports for this form of statistical detail, the position is now entirely reversed and, through the centralization of all analytical work, headquarters can to-day report more accurately and authoritatively upon trade matters at any port than even the men on the spot. Naturally, the many changes made in these respects, in order to keep China fully abreast with modern practice in the leading commercial countries, cost a good deal of money but there are few business men who would not agree that the results achieved fully justify the expense involved.

The Statistical Department

Actually the Statistical Department of the Chinese Maritime Customs was first constituted as a separate branch of the Inspectorate General of Customs in 1873, and it is not without interest to trace its gradual development from that time until the change from "hand labor" to modern accounting and tabulating machinery was made. Before 1873 the compilation of the trade returns was undertaken at the Shanghai Custom House and the printing of them done at the "Customs Press" in that office.

The new Department opened its career as a separate entity in premises situated in Peking Road, but 32 years later removed to Sinza Road where it is still housed. The space occupied in the early years of the century, however, bears little comparison with the extensive buildings now in use. On the south side of Sinza-road are the Administrative offices and the printing works. On the north side, in addition to the central returns office where the actual statistics are compiled, are large godowns where the paper supplies and the stocks of finished publications are kept. It has to be remembered that apart from compiling, printing and publishing the trade statistics, the Statistical Department is responsible for the printing and distribution of all the forms and stationary required by the Customs Service, all the circular instructions sent to ports, and the multifarious other reports, regulations and returns issued on behalf of the Service under the instructions of the Inspector-General. All these publications are printed either in bilingual form or with separate Chinese and English versions, and that means, of course, the maintenance of a printing establishment which, in its up-to-date equipment, would probably compare favorably with any maintained by private enterprise in the city.

The press-room, for example, is equipped with three quad crown and three double demy presses, five platens and a lithographic machine. Attached to the composing room is a monotype installation, comprising two keyboards and two casters, fitted with attachments for making leads and rules and for casting type, both English and Chinese, from 6 point to 48 point, and close at hand are book-binding rooms furnished with ruling, punching, book-backing, sewing, and stitching machines, of the latest pattern, to insure speedy handling of the printed matter.

Until 1931, the statistical work, as stated, was decentralised, the returns being compiled in the first instance at the ports from manuscript ledgers. The resulting port returns were then forwarded to the Statistical Department where they were checked and amalgamated into the total returns for the country, again by means of hand-written ledgers. Then, as national statistics gradually assumed greater international importance, China decided to speed up the process and to supply accurate information concerning the movement of goods at the earliest possible moment.

With this in view, an intensive study was first made, on the spot, of the mechanical systems of compiling returns in force in Great Britain and Japan, and this resulted in the adoption by the Service of the centralized return system now in use.

Geneva's Suggestions

The first step towards placing China's trade statistics on a better footing was to replace the Customs quarterly returns by monthly returns of China's foreign trade, based on the lines approved by the International Convention relating to economic statistics held at Geneva under the auspices of the League of Nations in 1928, and then to arrange for the publication of these returns as early as possible in the month succeeding that with which the statistics deal. Revision of the annual returns and of the returns of domestic trade was subsequently undertaken.

It was because the compilation of quick and accurate monthly returns under the old manual system would inevitably have involved the Service in a great increase in the number of employees engaged on returns work, that it was decided to establish a Central Returns Office as part of the present Statistical Department, and to obtain Government sanction for the acquisition of a set of "Powers" tabulating machinery similar to that used for statistical purposes in the leading countries of the world. It is through the use of these machines that the returns have been rapidly brought into line with those of other countries.

As already outlined, in order to obtain satisfactory results by means of this machinery, which consists of a punched-card system with electrically driven key punches, sorters and tabulators, all the particulars appearing on every cargo application form have to be "translated" into figures, or code numbers, these code numbers being divided into various groups arranged in accordance with the information desired.

Application Forms

To obtain the information now published in the Customs trade returns, over 6,000 cargo application forms are dealt with each day of the year (Sundays included) and from these applications the necessary data are extracted and "punched" on to cards at the rate of well over 10,000 cards a day or 3,723,000 cards a year. These millions of punched cards have then to be dealt with by the electrical sorters and tabulators in many intricate ways and combinations in order to arrive at the final figures published in the returns according to returns headings—value, quantity, port, and country—under the various foreign and domestic import, export, re-import, and re-export accounts.

The work of re-organizing the port work and of re-organizing present Central Returns Office on Sinza Road on these lines was commenced in 1931, when most of the required machinery was installed and experimental monthly returns compiled for the last few months of that year. From 1932 onwards the compilation of both the foreign and the domestic trade statistics for all ports was taken over in its entirety by this central office. As a result, monthly returns of the whole foreign trade of the country, summarized under 483 import and 356 export headings, analysed by countries of origin and destination, giving cumulative figures to date for the year, and supported by various cumulative tables showing the value and direction of trade, are now published during the month succeeding that which the statistics cover, while the December number of this monthly return places in the hands of the public, barely three weeks after the end of the year, a vast amount of information on China's commerce for the whole of the year concerned. In addition, the annual returns proper, consisting since the re-organization, of the following five volumes of "The Trade of China:"

Vol. I.—Report, with General Tables of Customs Revenue, Value of Trade, Treasure, and Shipping;
,, II.—Foreign Trade: Abstract of Import and Export Statistics;
,, III.—Foreign Trade: Analysis of Imports;
,, IV.—Foreign Trade: Analysis of Exports; and,
,, V. Domestic Trade: Interport Statistics:

are now completed, printed at the Statistical Department works, and published within the first six months of the year succeeding that with which the Returns deal.

The earlier publication of the Customs returns had long been desired by the public and striven for by the Customs authorities, but little could be done to expedite matters before modern machinery such as has been described was invented and placed on the market, Already, however, the success of the very modern methods recently adopted has been thoroughly established. Results, indeed, have far exceeded anticipations, and as a consequence China now has the satisfaction of knowing that it has no reason to fear comparison with other countries in respect either to accuracy, or speed, in the supply of information regarding trade movement.—*Reprinted from "Finance and Commerce."*